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COMPANIES HOUSE

THE COMPANIES ACT 2006

Company No 09239438

A PRIVATE COMPANY LIMITED BY SHARES

SPECIAL WRITTEN RESOLUTION OF
PROJECT X LTD
 (the "Company")

Dated this 21st day of September 2016

We, being the shareholders of the Company entitled to attend and vote at general meetings of the Company hereby pass the following written resolutions of the Company pursuant to s288 of the Companies Act 2006 and hereby agree that the said resolutions shall for all purposes be as valid and effective as if passed at a duly convened meeting of the Company

1. That the Company adopt new Articles of Association as are set out in the Articles of Association attached to this resolution and signed by way of identification by members for the time being entitled to receive notice of and attend a vote of the Company either in person or by proxy, and together holding not less than seventy-five percent in nominal value of the shares in issue and which are by this resolution adopted as the new Articles of Association in substitution for and to the complete exclusion of the existing Articles of Association of the Company
2. That the 135,135 Ordinary Shares of £0 00001 each in the capital of the Company be subdivided into 1,351,350 Ordinary Shares of £0 000001 each in the capital of the Company, with the rights and restrictions set out in the Articles of Association of the Company referred to in the resolution above
3. That the Ordinary Shares of the Company each be renamed as A Ordinary Shares with the rights and obligations of those shares being laid down in the new Articles of Association attached to this resolution
4. That the Company create a new class of shares known as B Investment Shares with the rights and obligations of those shares being laid down in the new Articles of Association attached to this resolution
5. That we acknowledge as shareholders of the Company that the Directors have been generally and unconditionally authorised to allot shares in the Company up-to a maximum nominal amount of £0 67 by way of a special shareholder resolution dated 20th October 2015, which authority will expire on 31st December 2017, and that subject to the receipt of subscription monies from the relevant investors who pledged to invest in connection with the Company's recent Crowdcube funding round, and in accordance with section 551 of the Companies Act 2006, the Directors shall allot up-to a maximum of 151,921 A Ordinary Shares and 21,404 B Investment Shares in the Company under this authority to such investors, provided that this authority shall, unless renewed, varied or revoked by the Company, expire on 31st December 2017. This authority is in substitution for all previous authorities conferred on the Directors in accordance with section 80 of the Companies Act 1985 or section 551 of the Companies Act 2006 but is in addition to that confirmed by Article 6 3(a) of the Articles of Association of the Company. This resolution to issue the Crowdcube shares shall become effective on the receipt of the relevant subscription monies and should any of the investors fail to advance their subscription monies, the relevant shares shall not be allotted to that investor and the number of shares allotted shall be adjusted down accordingly

6. That we acknowledge as shareholders of the Company that we have waived our right of pre-emption to participate in the allotment of shares in the Company up to the maximum nominal value of £0.67, pursuant to the special shareholder resolution passed on 20th October 2015, but that this maximum nominal value and our pre-emption waiver will be reduced accordingly by the issue of shares to the Crowdcube investors referred to in resolution 5

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to any of the resolutions

The undersigned, as persons entitled to vote on the above resolutions hereby irrevocably agree to those resolutions as indicated above

Signed by **DAVID ROSS NAYLOR**

Date

David Ross Naylor
21 September 2016

Signed by **HOWARD GRAY**

Date

Signed by **BARBARA POINTON**

Date

Barbara Pointon
21st September 2016

Signed by **JAMES STEVENSON**

Date

Signed by **AL HEARN**

Date

Signed by **MARK GILLET**

Date

Signed by **MATT COLEBOURNE**

Date

Signed by **ZAHRA HASSAN**

Date

Signed by **SIMON LA FOSSE**

Date

Signed by **ROBERT VOOGD**

Date

Signed by **DANIEL SICKORA**

Date

Signed by **JULIE MOSER**

Date

Signed by **FINLAY EDRIDGE**

Date

Signed by **JEANNIE ARTHUR**

Date

Signed by
for and on behalf of
**ANGEL INVESTMENT VENTURES
LIMITED**

Date

Signed by
for and on behalf of
**SYNDICATE ROOM (TT) NOMINEES
LIMITED**

Date

NOTES

1. Once you have indicated your voting intentions please sign and date this document and return it to the Company by attaching a scanned copy of the signed document to an e-mail and sending it david@raceful.ly

If there are no resolutions you agree with, you do not need to do anything you will not be deemed to agree if you fail to reply

2. Once you have indicated your agreement to a resolution, you may not revoke your

agreement

3. Where, such date as is 28 days after the date of this written resolution insufficient agreement has been received for a resolution to pass, such resolution will lapse. If you agree to all or any of the resolutions, please ensure that your agreement reaches us before this date

Company number 09239438

THE COMPANIES ACTS 1985 TO 2006

A PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

PROJECT X LTD (the "Company")

(Adopted by special resolution passed on 21st September 2016)

WATSON FARLEY
&
WILLIAMS

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1 INTERPRETATION AND STATEMENT OF SHARE CAPITAL

1.1 Defined terms

In these articles, unless the context requires otherwise

"A Ordinary Shares" means the A Ordinary Shares of £0 000001 each in the capital of the Company and **"A Ordinary Shareholder"** means a holder of any of those shares

"Acquiring Holders" means, collectively, any third party transferee (not being an existing holder at the time of the first Proposed Transfer) and Associates of such transferee or persons Acting in Concert with such transferee who will, following a Proposed Transfer hold a Controlling Interest

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

"Allocation Notice" has the meaning given in article 11.7(b)

"alternate" or **"alternate director"** has the meaning given in article 5.1

"Approved Share Option Scheme" means any share option scheme/plan approved by the directors for the benefit of, amongst others, employees of the Company

"Applicant" has the meaning given in article 11.7(b)

"appointor" has the meaning given in article 5.1

"articles" means the articles of association of the Company set out in this document or as amended from time to time

"Asset Sale" means the disposal by the Company of all or substantially all of its undertaking and assets

"Associate" in relation to any person means

- (a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined),
- (b) any Associated Company

"Associated Company" means a company which is for the time being a holding company of the transferor company or a subsidiary of the transferor company or of any such holding company

"B Investment Shares" means the B Investment Shares of £0 000001 each in the capital of the Company and **"B Investment Shareholder"** means a holder of any of these shares

"bankruptcy" includes individual insolvency proceedings in a jurisdiction other than England and Wales and Northern Ireland which have an effect similar to that of bankruptcy

"CA 2006" means the Companies Act 2006

"call" has the meaning given in article 16.3

"call notice" has the meaning given in article 16.3

"chairman" has the meaning given in article 3 6

"chairman of the meeting" has the meaning given in article 20 3

"Called Shares" has the meaning given in article 14 2

"Called Shareholders" has the meaning given in article 14 1

"Co-Founder" means Chris Pinton

"Companies Acts" means the Companies Acts (as defined in section 2 CA 2006), in so far as they apply to the Company

"Company's lien" has the meaning given in article 16 1

"Competitor" means (1) Strava, Jawbone, Fitbit, Runkeeper or Runtastic, (2) the consumer digital businesses of Nike, Under Armour, or Adidas, (3) the sports / fitness focused consumer digital businesses of Samsung, Apple, Microsoft, Google and Facebook, and/or (4) the sports / fitness focused consumer digital businesses of any other company or other business which is, or seeks to become , directly competitive with any part of the Company's business or any business of the Company's Group References to a named company (eg Strava, Nike, Samsung, etc) in this paragraph shall include all companies in that company's Group

"Confidential Information" has the meaning given in article 22 6(a)

"Controlling Interest" means shares conferring the right to exercise more than 50% of the votes which may be cast at general meetings of the Company

"Continuing Shareholders" has the meaning given in article 11 2(c)

"Crowdcube subscription shares" means those shares issued to investors who subscribed for shares in the Company through the Crowdcube Limited website on or around the Date of Adoption

"Date of Adoption" means the date on which these articles were adopted

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

"distribution recipient" has the meaning given in article 18 2(b)

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

"Drag Along Completion Date" has the meaning given in article 14 2

"Drag Along Notice" has the meaning given in article 14 2

"Drag Along Option" has the meaning given in article 14 1

"electronic communication" means any document or information sent or supplied in electronic form within the meaning of section 1168 CA 2006

"electronic form" has the meaning given to it in section 1168 CA 2006

"Entitled Holders" means all holders other than any holders who shall exercise, or shall have exercised, their pre-emption rights under article 11 in relation to the Proposed Transfer, the Proposed Sellers and the Acquiring Holders

"equity securities" has the meaning given in section 560 CA 2006

"Exit" means a Share Sale, an Asset Sale or an IPO

"Expert Valuers" has the meaning given article 12 1

"Fair Value" has the meaning given in article 12 1(b)

"Founder" means David Naylor

"Founder Director" means any person appointed by the Founder as a director of the Company pursuant to article 4 1(a)

"fully paid" in relation to a share, means that the nominal value and any premium to be paid to the Company in respect of that share have been paid to the Company

"Group" means in relation to a person which is a body corporate, any subsidiary undertaking or parent undertaking of that person and each and any subsidiary undertaking of a parent undertaking of that person

"hard copy form" has the meaning given in section 1168 CA 2006

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

"instrument" means a document in hard copy form

"IPO" means the admission of all or any of the shares or securities representing those shares (including without limitation depositary interests, American depositary receipts, American depositary shares and/or other instruments) to or the grant of permission by any like authority for the same to be admitted to or traded or quoted on Nasdaq or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000)

"Key Employee" means any employee who is or was during the Relevant Period employed by the Company

- (a) at management grade, or
- (b) in a senior capacity, or
- (c) in a capacity in which he has or has had access to or is in possession of confidential information of the Company

"lien enforcement notice" has the meaning given in article 16 2

"Minimum Transfer Condition" has the meaning given in article 11 2

"New Shareholder" has the meaning given in article 14 9

"Offer Period" has the meaning given in article 11 3

"ordinary resolution" has the meaning given in section 282 CA 2006.

"Original Holder" has the meaning given in article 10 3

"Original Shareholders" means the shareholders of the Company prior to the Date of Adoption and the issue of the Crowdcube subscription shares

"paid" means paid or credited as paid

"parent undertaking" has the meaning given in Section 1162 CA 2006

"participate" in relation to a directors' meeting, has the meaning given in article 3 4

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

"Permitted Transfer" means a transfer of shares made to a Permitted Transferee in accordance with article 10

"Permitted Transferee" means a person to whom a transfer of shares may be made pursuant to articles 10 1 or 10 2

"Privileged Relation" means the Spouse of an A Ordinary Shareholder, and any children (including adopted, step or illegitimate children) of any of such persons and any descendant of any such children and any trustee or trustees of a settlement of the relevant transferor under which no one other than a charity or the relevant transferor or his Spouse, his natural or adoptive parents, children (including adopted, step or illegitimate children) and any descendant (including any not yet born) of any such person is entitled to a beneficial interest

"Proposed Buyer" has the meaning given in article 14 1

"Proposed Sellers" has the meaning given in article 15 1

"Proposed Transfer" means the transfer in one or a series of related transactions of any shares carrying a right to vote at general meetings of the Company

"proxy notice" has the meaning given in article 21 7

"qualifying person" has the meaning given in section 318 CA 2006

"Relevant Percentage" = $A/B \times 100$

where A = number of voting shares being sold by the Proposed Sellers in relation to the Proposed Transfer,

 B = number of voting shares held by the Proposed Sellers immediately before the Proposed Transfer

"Relevant Period" means the period of twelve months immediately preceding the Termination Date

"Restricted Territory" means the United Kingdom

"Sale Shares" has the meaning given in article 11 2(a)(i)

"secretary" means the secretary of the Company and includes any joint, assistant or deputy secretary and any person appointed by the directors to perform any of the duties of the secretary

"Seller" has the meaning given in article 11 2

"Selling Shareholders" has the meaning given in article 14 1

"Sellers' Shares" has the meaning given in article 14 1

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

"shares" means all or any shares in the Company

"Share Sale" means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons Acting in Concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale

"special resolution" has the meaning given in section 283 CA 2006

"Specified Price" means in respect of each share a sum in cash equal to the highest price per share offered or paid by any of the Acquiring Holders

(a) in the Proposed Transfer, or

(b) in any related or previous transaction by any of the Acquiring Holders in the 12 months preceding the date of the Offer,

plus an amount equal to the Relevant Percentage of any other consideration (in cash or otherwise) paid or payable by any of the Acquiring Holders, which having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the shares

"Spouse" means a spouse (including a common law spouse) or civil partner or any person who held such a position immediately before the death of a holder

"subsidiary" has the meaning given in section 1159 CA 2006

"subsidiary undertaking" has the meaning given in Section 1162 CA 2006

"Surplus Shares" has the meaning given in article 11 6

"Termination Date" means " the date upon which the Founder or the Co-Founder cease to be a director or employee of, or consultant to the Company

"transferor company" has the meaning given in article 10 2

"transferee company" has the meaning given in 10 2

"Transfer Notice" has the meaning given in article 11 2

"Transfer Price" has the meaning given in article 11 2

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

"Valuation Period" has the meaning given in article 12 1

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

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

1.2 Exclusion of other regulations

These articles shall be the articles of association of the Company. Neither the model articles promulgated under the CA 2006, nor any other regulation or article prescribed by or pursuant to any statute concerning companies, shall apply to the Company

1.3 Liability of shareholders

The Company is a private company limited by shares, as defined in the Companies Acts and accordingly, subject to the provisions of the Companies Acts, an offer to the public of any shares in or debentures of the Company or any allotment of or agreement to allot any shares or debentures of the Company with a view to those shares or debentures being offered to the public is not permitted. The liability of the shareholders is limited to the amount, if any, unpaid on the shares held by them

2 DIRECTORS' POWERS AND RESPONSIBILITIES

2.1 Unrestricted objects

The objects of the Company are unrestricted and there are no limitations on the ability of the Company to borrow monies

2.2 Directors' general authority

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

2.3 Shareholders' reserve power

- (a) The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action in relation to the Company, provided always that such action is lawful and consistent with the duties and responsibilities of directors of a company such as the Company
- (b) No such special resolution invalidates anything which the directors have done before the passing of the resolution

2.4 Directors may delegate

- (a) Subject to these articles, the directors may delegate (in accordance with article 3 1(a)) any of the powers which are conferred on them under these articles
 - (i) to such person or committee,
 - (ii) by such means (including by power of attorney),
 - (iii) to such an extent,
 - (iv) in relation to such matters or territories, and

(v) on such terms and conditions,

as they think fit

- (b) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated
- (c) The directors may revoke any delegation in whole or part, or alter its terms and conditions at any time

2 5 Committees

- (a) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of these articles which govern the taking of decisions by directors
- (b) The directors may make rules of procedure for all or any committees, which prevail over rules derived from these articles if they are not consistent with them

3 DECISION-MAKING BY DIRECTORS

3 1 Directors to take decisions collectively

- (a) As a general rule, any decision of the directors must be either a unanimous decision under article 3 2 or a majority decision at a directors' meeting
- (b) If
 - (i) the Company only has one director, and
 - (ii) no provision of these articles requires it to have more than one director (either generally or for the purposes of taking decisions other than majority decisions),

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

3 2 Unanimous decisions

- (a) The directors take a decision in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter
- (b) A unanimous 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. A proposed resolution in writing must be sent to all directors entitled to receive notice of a meeting
- (c) References in this article 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
- (d) For the avoidance of doubt, a unanimous decision taken by all eligible directors (whatever their number and whether or not they would have formed a quorum at a directors' meeting) shall be sufficient for the purposes of this article

3.3 Calling a directors' meeting

- (a) 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

- (b) Notice of any directors' meeting must be given to each director and must indicate
 - (i) its proposed date and time,
 - (ii) where it is to take place, and
 - (iii) 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
- (c) Notices of directors' meetings or of meetings of committees of the directors which are conveyed in writing shall be sent to each director at the address (including an address for the purposes of electronic communications) given by them to the Company for this purpose. Notice of directors meetings or meetings of committees of the directors need not be in writing
- (d) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting. 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

- (a) Subject to these articles, directors participate in a directors' meeting, or part of a directors' meeting, when
 - (i) the meeting has been called and takes place in accordance with these articles, and
 - (ii) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting
- (b) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is
- (c) A person may participate in a meeting of the directors or of a committee of directors by means of
 - (i) conference telephone, or
 - (ii) video conference, or
 - (iii) by any other form of communications technology (whether in use at the date of the adoption of these articles or developed subsequently), or
 - (iv) by a combination of these methods,

provided that persons participating in the meeting are able to communicate interactively and simultaneously with other parties participating in the meeting. A person participating in a meeting in this manner shall be deemed present in person at the meeting
- (d) When a director is acting as an alternate director or when a person is acting as an alternate director for two or more of the directors, such alternate director shall, for the purposes of the quorum, be counted as one for each such person for whom he is acting as an alternate director and, if applicable, as one as a director himself
- (e) A directors' meeting is to be treated as taking place at any place specified in the notice of meeting as the location of the meeting (provided that one or more directors is physically present at such location) or at such other place where at least one director is physically

present as the directors may resolve, failing which at such place as the chairman or other director chairing the meeting is physically present

3.5 Quorum for directors' meetings

- (a) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to adjourn the meeting to a later time or to call another meeting. This does not apply if, in accordance with these articles, the lack of quorum is due to one or more directors not being entitled to vote on a matter, in such a case, the directors entitled to vote at the meeting may vote whether or not the quorum requirement is satisfied, provided always that this relaxation shall not apply in relation to any proposal to be voted on for the purposes of s175(6) CA 2006
- (b) The quorum for directors' meetings may be fixed from time to time by a decision of the directors and unless otherwise fixed it is two (one of whom shall be the Founder Director if appointed), provided that if there shall be only one director in office at any particular time there shall be no quorum requirement
- (c) A sole director shall have authority to exercise all the powers and discretions by these articles expressed to be vested in the directors generally
- (d) If the total number of directors appointed for the time being is less than the quorum required, the directors must not take any decision whether at a meeting of the directors or by unanimous decision in accordance with article 3.2 other than a decision
 - (i) to appoint further directors, or
 - (ii) to call a general meeting so as to enable the shareholders to appoint further directors

3.6 Chairing of directors' meetings

- (a) The directors may appoint a director to chair their meetings. Unless the directors unanimously determine otherwise, the Founder Director (if appointed) shall be the chairman of directors' meetings
- (b) The person so appointed for the time being is known as the chairman
- (c) The directors may terminate the chairman's appointment at any time, save that the unanimous decision of the directors will be required to terminate the Founder Director's appointment as chairman
- (d) Subject to any requirements relating to the quorum for directors' meeting, 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 Directors' votes and casting vote

- (a) Subject to these articles, each director participating in a directors' meeting has one vote
- (b) If the numbers of votes for and against a proposal at a directors' meeting are equal, the chairman or other director chairing the meeting shall subject to article 3.7(c) have a casting vote
- (c) The casting vote under article 3.7 (Directors' votes and casting vote) shall 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

- (d) A director who is also an alternate director has an additional vote on behalf of each appointor who is
 - (i) not participating in a directors' meeting, and
 - (ii) would have been entitled to vote if they were participating in it

3.8 Interests of directors

- (a) Provided he has declared his interest in accordance with article 3 8(b), a director may hold any other office or place of profit under the Company (except that of auditor) in conjunction with his office of director and subject to section 188 CA 2006 on such terms as to remuneration and otherwise as the directors shall arrange
- (b) Without prejudice to the requirements of the CA 2006
 - (i) A director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement
 - (ii) A director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable, unless the interest has already been declared under article 3 8(b)(i) above
 - (iii) Any declaration required by article 3 8(b)(i) may (but need not) be made at a meeting of the directors or by notice in writing in accordance with section 184 CA 2006 or by general notice in accordance with section 185 CA 2006 Any declaration required by article 3 8(b)(ii) must be made at a meeting of the directors or by notice in writing in accordance with section 184 CA 2006 or by general notice in accordance with section 185 CA 2006
 - (iv) If a declaration made under article 3 8(b)(i) or 3 8(b)(ii) above proves to be, or becomes, inaccurate or incomplete, a further declaration must be made under article 3 8(b)(i) or 3 8(b)(ii) as appropriate
 - (v) A director need not declare an interest under this article 3 8(b)
 - (A) if it cannot reasonably be regarded as likely to give rise to a conflict of interest,
 - (B) if, or to the extent that, the other directors are already aware of it (and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware),
 - (C) if, or to the extent that, it concerns terms of his service contract that have been or are to be considered by a meeting of the directors or by a committee of the directors appointed for the purpose under these articles, or
 - (D) if the director is not aware of his interest or 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 to be aware)
 - (vi) Subject to the provisions of the CA 2006 and provided that he has declared to the directors the nature and extent of any direct or indirect interest of his in accordance

with article 3 8(b), or where 3 8(b)(v) applies and no declaration of interest is required and subject only to any limitation on voting imposed (i) by order of the board or (ii) otherwise by virtue of any authorisation given pursuant to article 3 8(c)(iii), which may be relevant to the circumstances, a director notwithstanding his office

- (A) may be a party to, or otherwise be interested in, any transaction or arrangement with the Company or in which the Company is directly or indirectly interested and he may receive and retain for his own benefit all profits and advantages accruing to him in respect thereof, and
- (B) may act by himself or through his firm in a professional capacity for the Company (otherwise than as auditor), and in any such case on such terms as to remuneration and otherwise as the directors may decide, and
- (C) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise be interested in, any body corporate in which the Company is directly or indirectly interested, and
- (D) notwithstanding his interest, may vote on any contract, arrangement or matter in which he is interested and be taken into account in determining a quorum at any meeting at which the same is considered

(c) Directors authorisation for the purposes of section 175 CA 2006

- (i) For the purposes of section 175 CA 2006, the directors may authorise any matter proposed to them in accordance with these articles which would, if not so authorised, involve a breach of duty by a director under that section, including, without limitation, any matter which relates to a situation in which a director has, or can have, an interest which conflicts, or possibly may conflict, with the interests of the Company
- (ii) Any such authorisation will be effective only if
 - (A) any requirement as to quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director, and
 - (B) the matter was agreed to without their voting or would have been agreed to if their votes had not been counted
- (iii) The directors may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any express limits or conditions but such authorisation is otherwise given to the fullest extent permitted
- (iv) The directors may vary or terminate any such authorisation at any time
- (v) For the purposes of these articles, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests

(d) A director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his relationship with that other person gives rise to a conflict or possible conflict of interest, this article applies only if the existence of that relationship has been authorised by the directors pursuant to article 3 8(c). In particular, the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 CA 2006 because he fails

- (i) to disclose any such information to the directors or to any director or other officer or employee of the Company, or
 - (ii) to use or apply any such information in performing his duties as a director of the Company
- (e) Where the existence of a director's relationship with another person has been authorised by the directors pursuant to article 3 8(c) and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 CA 2006 because he
 - (i) absents himself from meetings of the directors at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise, and/or
 - (ii) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser,for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists
- (f) The provisions of articles 3 8(d) and (e) are without prejudice to any equitable principle or rule which may excuse the director from
 - (i) disclosing information, in circumstances where disclosure would otherwise be required under these articles, or
 - (ii) attending meetings or discussions or receiving documents and information as referred to in article 3 8(e) in circumstances where such attendance or receiving such documents and information would otherwise be required under these articles
- (g) If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive. If any question as to the right to participate in the meeting (or part of the meeting) should arise in relation to 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 part of the meeting) for voting or quorum purposes
- (h) A director shall not, by reason of his office, be accountable to the Company for any remuneration or other benefit which he derives from any office or employment or from any transaction or arrangement or from any interest in any body corporate
 - (i) the acceptance, entry into or existence of which has been authorised by the directors pursuant to article 3 8(c) (subject, in any such case, to any terms upon which such authorisation was given), or
 - (ii) which he is permitted to hold or enter into by virtue of article 3 8(b) or otherwise pursuant to these articles,
 - (iii) nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 CA 2006. No transaction or arrangement authorised or permitted pursuant to articles 3 8(b)(vi) or 3 8(c) or otherwise pursuant to these articles shall be liable to be avoided on the ground of any such interest or benefit

- (i) The directors may exercise the voting power conferred by the shares in any company held or owned by the Company in such manner and in all respects as they think fit (including the exercise thereof in favour of any resolution appointing the directors or any of them as directors of such company, or voting or providing for the payment of remuneration to the directors of such company)
- (j) For the purposes of this article 3 8, in relation to an alternate director, the interest of the appointor is treated as the interest of the alternate director in addition to any interest which the alternate director otherwise has This article 3 8 applies to an alternate director as if he were a director otherwise appointed

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 these articles, the directors may make any rule as 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 AND SECRETARY

4.1 Methods of appointing directors and secretary

- (a) The Founder, for so long as he and his Permitted Transferees holds at least 10 per cent of the shares in issue for the time being, shall be entitled to appoint, remove and replace one person to be a director of the Company (and as a member of each and any committee of the board of directors) (the "Founder Director") The Founder may appoint a Founder Director and remove a Founder Director whom he appointed and upon his removal whether by the Founder or otherwise, may appoint another director in his place by giving notice in writing signed by him to the Company at its registered office Each such appointment or removal takes effect on the date on which the notice is received by the Company or, if a later date is given in the notice, on that date
- (b) 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
 - (i) by ordinary resolution,
 - (ii) by a decision of the directors, or
 - (iii) without prejudice to article 4 1(b)(i) by the holders for the time being holding more than one half of the issued share capital of the Company (every such appointment shall be in writing and signed by or on behalf of such shareholders and shall take effect upon receipt at the registered office of the Company)
- (c) 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
- (d) For the purposes of article 4 1(c), 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
- (e) Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall be subject to a maximum of seven

- (f) Subject to sections 188 and 189 CA 2006, the directors may from time to time appoint one or more of their body to any executive office (including that of managing director, manager or any other salaried office) for such period and upon such terms as the directors may determine and may revoke or terminate any such appointment. Any such revocation or termination shall be without prejudice to any claim for damages that such director may have against the Company, or the Company may have against such director, for any breach of any contract of service or otherwise. Any director appointed to an executive office shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise) as the directors may determine, and either in addition to or in lieu of his remuneration as director.
- (g) The directors may from time to time appoint a secretary (including any joint secretary) for such term, at such remuneration and upon such conditions as the directors may think fit, and any secretary so appointed may be removed by the directors.

4.2 Termination of director's appointment

A person ceases to be a director as soon as

- (a) that person ceases to be a director by virtue of any provision of the CA 2006 or is prohibited from being a director by law,
- (b) a bankruptcy order is made against that person,
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts,
- (d) a registered medical practitioner who is appointed by the Company to examine that person gives a written opinion to the Company stating that such person has become physically or mentally incapable of acting as a director and may remain so for more than three months,
- (e) an order is made by the court or otherwise in accordance with the law which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,
- (f) notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms, or
- (g) without prejudice to article 4.2(a), that person is removed by shareholders holding more than one half of the issued share capital of the Company by notice in writing to the Company signed by or on behalf of the said shareholders and such notice of removal shall take effect upon receipt at the registered office of the Company.

4.3 Directors' remuneration

- (a) Directors may undertake any services for the Company that the directors decide.
- (b) Directors are entitled to such remuneration as the directors may determine.
 - (i) for their services to the Company as directors, and
 - (ii) for any other service which they undertake for the Company.
- (c) Subject to these articles and law, a director's remuneration may
 - (i) take any form, and

- (ii) 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
- (d) Unless the directors decide otherwise in any particular case, directors (including alternate 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' expense

The Company may pay any reasonable expenses which the directors (including alternate directors) properly incur in connection with their attendance at

- (a) meetings of directors or committees of directors, or
 - (b) general meetings,
- or otherwise in connection with the exercise of their powers and the discharge of their duties and responsibilities in relation to the Company

5 ALTERNATE DIRECTORS

5.1 Appointment and removal of alternates

- (a) Any director (the "**appointor**") may appoint as an alternate any other director, or any other person approved by resolution of the directors, to
 - (i) exercise that director's powers, and
 - (ii) carry out that director's responsibilities,
 in relation to the taking of decisions by the directors in the absence of the alternate's appointor
- (b) Any appointment or removal of an alternate must be effected by notice to the Company signed by the appointor, or in any other manner approved by the directors
- (c) The notice must identify the proposed alternate

5.2 Rights and responsibilities of alternate directors

- (a) An alternate director has the same rights, in relation to any directors' meeting or directors' written resolution, as the alternate's appointor
- (b) Except as the articles specify otherwise, alternate directors
 - (i) are deemed for all purposes to be directors,
 - (ii) are liable for their own acts and omissions,
 - (iii) are subject to the same restrictions as their appointor,
 - (iv) are not deemed to be agents of or for their appointor, and
 - (v) must disclose as if they were directors any interests for the purposes of sections 177 and 182 CA 2006 or any possible conflicts of interests which would otherwise fall within section 175 CA 2006

- (c) A person who is an alternate director may, where the director appointing that person does not attend a meeting or participate in the passing of a resolution
 - (i) be counted as participating for the purposes of determining whether a quorum is present, and
 - (ii) may sign a written resolution or vote on a show of hands,
 and where the same person has been appointed as an alternate by two or more directors, or is himself also a director, the above provisions shall apply to that person separately in each capacity in which that person is acting on that occasion (in addition to his own position if he is also a director) and he shall not be obliged to act in the same manner or to vote for or against such resolution in respect of each capacity in which he acts
- (d) An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company

5.3 Termination of alternate directorship

An alternate director's appointment as an alternate terminates

- (a) at the time specified in the alternate's appointor's notice of appointment of such person as an alternate director,
- (b) when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,
- (c) on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director,
- (d) on the death of the alternate's appointor, or
- (e) when the alternate's appointor's appointment as a director terminates

6 SHARES

6.1 Alteration of share capital

The share capital may be altered in accordance with the provisions of section 617 CA 2006

6.2 Payment of commissions on subscription for shares

- (a) Subject to section 553 CA 2006, the Company may pay any person a commission in consideration for that person or any other person who has introduced a person who is
 - (i) subscribing, or agreeing to subscribe, for shares, or
 - (ii) procuring, or agreeing to procure, subscriptions for shares
- (b) Any such commission may be paid
 - (i) in cash, or in fully paid or partly paid shares or other securities, or partly in one way and partly in the other, and
 - (ii) in respect of a conditional or an absolute subscription

6.3 Authority to allot shares

- (a) The directors are generally and unconditionally authorised, in accordance with section 551 of the Companies Act, to exercise all the powers of the Company to allot shares or to grant rights or to subscribe for or convert any security into shares up to a maximum nominal value of £1 00
- (b) The authority contained in article 6 3(a) shall expire on the day five years after the Date of Adoption

6.4 Company Pre-emption rights

- (a) In accordance with section 571(1) CA 2006, sections 561 and 562 CA 2006 shall not apply to an allotment of equity securities by the Company
- (b) Subject to paragraph (c) and article 6 4(e) below, if at any time the Company proposes to allot equity securities, such equity securities shall first be offered by the directors on the same terms and at the same price
 - (i) to the A Ordinary Shareholders of the Company holding A Ordinary Shares at the date of the offer;
 - (ii) and in proportion as nearly as may be to the aggregate amounts paid up or credited as paid up on the A Ordinary Shares held by such members respectively
- (c) Any offer made pursuant to paragraph (b) above shall be made by notice to each A Ordinary Shareholder specifying the number of A Ordinary Shares offered and the period (not being less than 14 days) within which the offer, if not accepted by notice in writing to the Company, shall be deemed to be declined. Following expiry of such period, or receipt of notice of acceptance or refusal of every offer made under this paragraph, the directors may dispose of any equity securities not accepted by the A Ordinary Shareholders in such manner as they think most beneficial to the Company provided that such equity securities shall not be disposed of on terms which are more favourable than the terms on which they were first offered to the A Ordinary Shareholders
- (d) Paragraph (c) shall not apply to any particular allotments of equity securities
 - (i) which the Company may at any time by special resolution declare shall not be subject to the provisions of that paragraph,
 - (ii) with the consent in writing of the holders of not less than 75% of the issued A Ordinary Shares,
 - (iii) which are either options to subscribe for shares under any Approved Share Option Scheme or shares subscribed for following the exercise of options granted under any Approved Share Option Scheme,
 - (iv) if these are, or are to be, wholly or partly paid up otherwise than in cash,
 - (v) which gives effect to a bonus issue, or
 - (vi) that would, apart from any renunciation or assignment of the right to their allotment, be held under or allotted or transferred pursuant to an employees' share scheme (as such term is defined in section 1166 CA 2006)
- (e) Paragraph 6 3(c) shall further not apply in connection with the allotment and issue of the Crowdcube subscription shares and further issues of shares or grant of options over shares up to an aggregate nominal value of £0 67 (being 670,000 shares), less the nominal value of

the Crowdcube subscription shares to be issued at any time from the Date of Adoption, and less the 299,270 shares issued by the Company prior to the Date of Adoption

6.5 Purchase of own shares

Subject to the provisions of the Companies Acts but without prejudice to any other provision of these articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 CA 2006, including (without limitation) out of capital up to an aggregate purchase price in a financial year of the lower of

- (a) £15,000, and
- (b) the nominal value of 5% of the Company's fully paid share capital as at the beginning of the financial year

7 INTERESTS IN SHARES

7.1 Company not bound by less than absolute interests

Except as required by law, no person is to be recognised by the Company as holding any share upon any trust, and except as otherwise required by law or these articles, the Company is entitled but not required in any way to be bound by or recognise any interest in a share other than the shareholder's absolute ownership of it and all the rights attaching to it

7.2 Share certificates

- (a) The conditions of issue of any shares shall not require the Company to issue any share certificate although the board of directors may resolve to do so
- (b) The Company shall not be bound to issue more than one certificate in respect of shares held jointly by two or more persons. Delivery of a certificate to the person first named in the register shall be sufficient delivery to all joint holders
- (c) If the board of directors resolves to issue a share certificate it may be issued in electronic format, under seal (by affixing the seal to or printing the seal or a representation of it on the certificate) or signed by at least two directors or by at least one director and the Company secretary. Such certificate shall specify the number and class of the shares in respect of which it is issued and the amount or respective amounts paid up on it. The board of directors may by resolution decide, either generally or in any particular case or cases, that any signatures on any share certificates need not be autographic but may be applied to the certificates by some mechanical or other means or may be printed on them or that the certificates need not be issued under seal or signed by any person
- (d) Every share certificate sent in accordance with these articles will be sent at the risk of the member or other person entitled to the certificate. The Company will not be responsible for any share certificate lost or delayed in the course of delivery

7.3 Replacement share certificates

- (a) If a certificate issued in respect of a shareholder's shares is
 - (i) damaged or defaced, or
 - (ii) said to be lost, stolen or destroyed,

that shareholder is entitled to be issued with a replacement certificate in respect of the same shares

- (b) A shareholder exercising the right to be issued with such a replacement certificate
 - (i) may at the same time exercise the right to be issued with a single certificate or separate certificates,
 - (ii) must return the certificate which is to be replaced to the Company if it is damaged or defaced or located after the replacement certificate has been issued, and
 - (iii) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide

8 TRANSFER OF SHARES

8.1 Share transfers

No share (nor any interest in a share) may be transferred except by means of a transfer or disposal of the entire legal and beneficial ownership made pursuant to or as permitted by these articles. The directors shall refuse to register any transfer or other disposal of a share unless the transfer is made pursuant to or permitted by these articles. For these purposes

- (a) in articles 2 to 15, subject to article 8 1(b), reference to the transfer of a share includes any sale, transfer or other disposal of such share and the transfer or assignment of a beneficial or other interest in that share or the grant or creation of contractual rights or options over or in respect of such 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,
- (b) an agreement to transfer shares which is conditional upon the intending transferor immediately notifying the Company of the existence of the agreement and complying with the provisions of articles 10 and/or 11 and/or 13 within 90 days after the agreement is made shall not be considered to be a transfer of shares,
- (c) unless the directors determine to the contrary, if a holder transfers or purports to transfer a share otherwise than in accordance with these articles he will be deemed immediately to have served a Transfer Notice in respect of all shares held by him, and
- (d) any transfer of a share by way of sale which is required to be made under articles 11 to 15 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee

8 2 General Requirements

- (a) Where permitted by these articles, shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is
 - (i) executed by or on behalf of the transferor (and, if any of the shares is partly paid, by the transferee),
 - (ii) lodged at the Company's registered office (or such other location as the directors may fix for such purpose), and
 - (iii) accompanied by the certificate for the shares to which it relates, or such other evidence as the directors may reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf
- (b) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share

- (c) The Company may retain any instrument of transfer which is registered
- (d) The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it
- (e) The directors in the case of (i) and (ii) below may refuse to register, and in each other case shall not register, the transfer of a share if
 - (i) the share is not fully paid to a person of whom they do not approve,
 - (ii) the Company has a lien on the share or shares in question,
 - (iii) it is in favour of more than four transferees, or
 - (iv) the transfer is not submitted in accordance with article 8 2(a)
- (f) If the directors refuse to register a transfer under article 8 2(e), the instrument of transfer and other documents submitted to the Company must be returned to the transferee with the notice of refusal together with the directors' reasons for refusal as soon as practicable and in any event within two months after the date on which the transfer is lodged with it in accordance with section 771 CA 2006
- (g) The directors may, as a condition to the registration of any transfer of shares (whether pursuant to a Permitted Transfer or otherwise), require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of 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 8 2 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee

8 3 Determination of Unauthorised Transfers

To enable the directors to determine whether or not

- (a) there has been any transfer of shares in breach of these articles or other than to a Permitted Transferee, or
- (b) circumstances have arisen whereby a Transfer Notice is deemed to have been given pursuant to these articles, or
- (c) the directors are entitled to give a notice the effect of which is to deem or require the giving of a Transfer Notice pursuant to article 8 4(b),

the directors may at any time in writing require any holder or transmittee of a share or any person named as transferee in any transfer submitted for registration to provide the Company with such information and evidence as the directors may request regarding any matter which they deem relevant to that purpose

8.4 Consequences of Unauthorised Transfers

If such information or evidence as is called for under article 8 3 is not provided promptly or, based upon the same, the directors determine that an event has occurred or circumstances have arisen falling within article 8 3, the directors shall immediately notify the holder of such shares in writing of that fact and the following shall occur

- (a) suspension of the rights conferred by the relevant shares upon the holder (or any proxy)

- (i) to vote whether on a show of hands or on a poll and whether exercisable at a general meeting, and
 - (ii) to receive dividends or other distributions otherwise attaching to those shares or to any further shares issued in respect of those shares, and
- (b) if the directors, at any time within 30 days after the directors' determination, give the holder further written notice to such effect, the holder shall be deemed thereby to serve a Transfer Notice offering to sell all of the shares concerned

The suspension of rights under article 8 4(a) shall cease upon the earliest of (i) the time fixed by the directors, or (ii) the date falling 15 days after the end of the Offer Period (where a Transfer Notice is deemed to be given) or (iii) 30 days after the directors' determination (where no Transfer Notice is deemed to be given)

8.5 Requirements on Mandatory Transfers

In any circumstances under these articles where the holder is either required by the directors to give, or deemed to give, a Transfer Notice in respect of all or any of his shares, the holder will be treated as having specified in the Transfer Notice that

- (a) the holder concerned offers to sell all of the shares held by him (save where there has been a purported transfer of some only of the shares of that holder, in which event the offer shall relate only to those shares) and the Transfer Price will be the Fair Value (as defined in article 12), and
- (b) the Transfer Notice does not include a Minimum Transfer Condition

9 TRANSMISSION OF SHARES

9 1 Transmission of shares

- (a) If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share
- (b) Nothing in these articles releases the estate of a deceased shareholder from any liability in respect of a share held solely or jointly by that shareholder
- (c) A transmittee who produces such evidence of entitlement to shares as the directors may properly require
 - (i) may, subject to these articles, choose either to become the holder of those shares or to have them transferred to another person, and
 - (ii) subject to these articles, and pending any transfer of the shares to another person, has the same rights as the holder had
- (d) 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 shareholder's death or bankruptcy or otherwise, unless and until they become the holders of those shares

9.2 Exercise of transmittees' rights

- (a) Transmittees who wish to become the holders of shares to which they have become entitled must notify the Company in writing of that wish

- (b) If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it
- (c) Any transfer made or executed under this article 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

9.3 Transmittees bound by prior notices

If a notice is given to a holder 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

9.4 Transmittees and pre-emption

No rights of pre-emption shall arise as a consequence of the transmission of a share, provided that

- (a) where article 9 2(a) applies, then (subject to article 8 2(g) if applicable) the transmittee shall be deemed to be a Permitted Transferee, and
- (b) where article 9 2(b) applies, any share may be transferred to any Permitted Transferee of the holder (or deceased holder) from whom the transmittee has derived his rights to the share (subject to article 8 2(g), if applicable), and
- (c) if the transmittee of a deceased holder shall not have either transferred the relevant shares under article 9 2(a) within 1 year after the date of the holder's death or (if later) satisfied the directors that such a transfer will be effected promptly upon the completion of the administration of the estate of the deceased holder, the directors may require the transmittee to give a Transfer Notice in respect of such shares, and
- (d) in all other cases, any transfer of shares under article 9 1(b) shall be subject to the pre-emption provisions in article 11

10 PERMITTED TRANSFERS

10.1 Permitted Transfers

Subject to the other provisions of these articles (including article 8 2(g)), an A Ordinary Shareholder, or transmittee of an A Ordinary Shareholder, may at any time transfer any of the A Ordinary Shares registered in his name or to which he is entitled

- (a) in the case of an A Ordinary Shareholder which is a company, to an Associated Company, or
- (b) in the case of an A Ordinary Shareholder who is an individual, to a Privileged Relation provided that such Privileged Relation is not carrying on, concerned, engaged or interested directly (in any capacity whatsoever) in any trade or business of a Competitor, except where such interest relates solely to an interest in the shares or other securities of a company traded on a securities exchange provided such interest does not extend to more than 3 per cent of the issued share capital of that company, or
- (c) to a nominee of that A Ordinary Shareholder or, where the A Ordinary Shareholder is a nominee, by the nominee to the person who is (and has at all times been) the beneficial owner for whom the nominee held the shares or to a new nominee of the same beneficial owner, or
- (d) in the case of a personal representative of a deceased A Ordinary Shareholder, to one or more Privileged Relations (provided that such Privileged Relation is not carrying on,

concerned, engaged or interested directly (in any capacity whatsoever) in any trade or business of a Competitor, except where such interest relates solely to an interest in the shares or other securities of a company traded on a securities exchange provided such interest does not extend to more than 3 per cent of the issued share capital of that company) of such deceased A Ordinary Shareholder or to another personal representative of the same estate, or

- (e) in the case of a trustee of a trust, to another trustee of that trust or to the trustee of another trust for the benefit of the same beneficiaries or to the beneficiaries of that trust only, or
- (f) to give effect to the exercise of any option granted pursuant to an Approved Share Option Scheme, or
- (g) following a transmission of a share, to the transmittee or otherwise as permitted by articles 9 4(a) and 9 4(b), or
- (h) to any other person with the prior consent in writing of all the other A Ordinary Shareholders

10.2 Cessation of Associated Company relationship

Where A Ordinary Shares have been transferred under article 10 1(a) (whether directly or by a series of transfers) from a body corporate ("**transferor company**", which expression shall not include a second or subsequent transferor in such a series of transfers) to an Associated Company ("**transferee company**") and subsequently the transferee company ceases to be an Associated Company of the transferor company, then

- (a) the transferee company shall forthwith transfer the relevant A Ordinary Shares (together with any shares transferred to or acquired by the transferee company by virtue of the holding of the relevant A Ordinary Shares or any of them) back to the transferor company or to another Associated Company of the transferor company (and such a transfer shall be deemed to be a Permitted Transfer), and
- (b) any failure to transfer such A Ordinary Shares within 28 days of the transferee company ceasing to be an Associated Company of the transferor company shall result in a Transfer Notice being deemed immediately to be given in respect of all such A Ordinary Shares

10.3 Subsequent transfers to Privileged Relations

Where A Ordinary Shares have been transferred under article 10 1(b) (whether directly or by a series of transfers) from an A Ordinary Shareholder (the "**Original Holder**") to a Privileged Relation (who satisfies the requirement contained in article 10 1(b)) of the Original Holder, no further transfer pursuant to article 10 1(b) may be made unless the transferee is a Privileged Relation (who satisfies the requirement contained in article 10 1(b)) of the Original Holder

11 TRANSFERS OF SHARES SUBJECT TO PRE-EMPTION RIGHTS

11.1 Application to all transfers

Except where the provisions of any of articles 9, 10, 14 and 15 apply, any transfer of shares by an A Ordinary Shareholder shall be subject to the pre-emption rights contained in this article 11

11.2 Transfer Notice

- (a) An A Ordinary Shareholder who wishes to transfer any A Ordinary Shares (a "Seller") shall, except as otherwise provided for in these articles, before transferring or agreeing to transfer any such shares give written notice (a "Transfer Notice") to the Company specifying
 - (i) the number of A Ordinary Shares which he wishes to transfer (the "Sale Shares"),
 - (ii) if he wishes to transfer any A Ordinary Shares to a third party, the name of the proposed transferee and the terms and conditions of such proposed sale,
 - (iii) the cash price per Sale Share at which the Seller is prepared to sell the Sale Shares (the "Transfer Price") (but if no price has been stated in a Transfer Notice or where a Transfer Notice is required or deemed to be given in accordance with these articles, the Transfer Price shall be the Fair Value as determined under article 12), and
 - (iv) whether the Transfer Notice is conditional on all or a specific minimum number of the Sale Shares being sold to holders (a "Minimum Transfer Condition")
- (b) Except with the written consent of all the other A Ordinary Shareholder or in the circumstances contemplated under article 12 6, no Transfer Notice once given or deemed to have been given under these articles may be withdrawn by the Seller
- (c) A Transfer Notice constitutes the Company the agent of the Seller for the sale of all or any of the Sale Shares at the Transfer Price to any existing A Ordinary Shareholders other than the Seller (the "Continuing Shareholders") who are willing to purchase them
- (d) Any provisions contained in a Transfer Notice purporting to impose any other restrictions in relation to the Sale Shares on the sale or transfer of any of them shall be null and void
- (e) So long as Continuing Shareholders are willing to purchase a number of Sale Shares equal to or greater than any number specified in the Transfer Notice as the Minimum Transfer Condition, the Seller shall be deemed to have agreed to sell less than all of the Sale Shares if Continuing Shareholders are not willing to purchase all of the Sale Shares Any allocation of Sale Shares made under articles 11 5 or 11 6 will be conditional on the fulfilment of the Minimum Transfer Condition

11.3 Offer of Sale Shares

- (a) As soon as practicable following the later of
 - (i) receipt of a Transfer Notice, and
 - (ii) in the case where the Transfer Price has not been specified or the Transfer Notice is deemed to have been served, the determination of the Transfer Price under article 12,

the directors shall offer the Sale Shares for sale to the Continuing Shareholders in the manner set out in this article 11
- (b) Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered, any information supplied by the Seller under article 11 2(a) and invite each of the Continuing Shareholders to apply in writing within the period from the date of the offer to the date 28 days after the offer (inclusive) (the "Offer Period") for the maximum number of Sale Shares he wishes to buy

11.4 Application for Sale Shares

Any Continuing Shareholder wishing to apply for all or any of the Sale Shares must submit a written application to be received by the Company at its registered office (or such other address as may be referred to in the offer) during the Offer Period

11 5 Allocation of Sale Shares - Excess Applications

If, at the end of the Offer Period, the number of Sale Shares applied for exceeds the number of Sale Shares, the directors shall allocate the Sale Shares to those Continuing Shareholders who have applied to purchase any of the Sale Shares as follows

- (a) first in the proportion which each Continuing Shareholder's existing holding of A Ordinary Shares bears to the total number of A Ordinary Shares held by all the Continuing Shareholders who have applied to buy any of the Sale Shares (fractional entitlements being rounded to the nearest whole number), and
- (b) secondly, if not all Sale Shares are allocated in accordance with article 11 5(a) but there are applications for Sale Shares that have not been fully satisfied, the remaining Sale Shares shall be allocated to the relevant applicant(s) in the proportion (fractional entitlements being rounded to the nearest whole number) which the relevant applicant's existing holding of A Ordinary Shares bears to the total number of A Ordinary Shares held by those Continuing Shareholders whose applications for Sale Shares have not been satisfied in accordance with article 11 5(a), and
- (c) thirdly and successively, until all the Sale Shares are allocated in accordance with this article 11 5, with regard to any applications for Sale Shares that have not previously been fully satisfied, any remaining Sale Shares shall be allocated to the relevant applicant(s) in accordance with the procedure set out in article 11 5(b) but in the proportion (fractional entitlements being rounded to the nearest whole number) which the relevant applicant's existing holding of A Ordinary Shares bears to the total number of A Ordinary Shares held by those Continuing Shareholders whose applications for Sale Shares have not previously been fully satisfied in accordance with this article 11 5,

but in each case allocations in accordance with this article 11 5 shall not result in a Continuing Shareholder being allocated, or obliged to buy, more than the maximum number of Sale Shares which he has stated he is willing to buy

11 6 Allocation of Sale Shares - Sufficient Applications

If, at the end of the Offer Period, the number of Sale Shares applied for is equal to or less than the number of Sale Shares (but where applicable, in excess of the number of the Minimum Transfer Condition), the directors shall allocate the Sale Shares to the Continuing Shareholders who have applied to buy any of the Sale Shares in accordance with their applications and the balance (the "Surplus Shares") will be dealt with in accordance with article 11 10

11 7 Allocation Notices

- (a) If the Transfer Notice includes a Minimum Transfer Condition and the total number of Sale Shares applied for by Continuing Shareholders during the Offer Period is less than the number of the Minimum Transfer Condition, the directors shall not later than five days after the end of the Offer Period notify the Seller and all those Continuing Shareholders who have applied to buy any of the Sale Shares stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect
- (b) In all other cases, the directors shall not later than five days after the end of the Offer Period give written notice of allocation (an "Allocation Notice") to the Seller and all those

Continuing Shareholders who have applied to buy any of the Sale Shares (an "Applicant") specifying the details of the applications which have been made and of the number of Sale Shares allocated to each Applicant and the place and time (being not less than 14 days nor more than 28 days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares. The Allocation Notice shall constitute the Seller's acceptance of the Continuing Shareholders' applications with respect to the number of Sale Shares allocated to each Applicant as set out in the Allocation Notice

11.8 Completion of transfer of Sale Shares

Upon service of an Allocation Notice

- (a) the Seller must, against payment of the Transfer Price, transfer the relevant numbers of Sale Shares in accordance with the requirements specified in it to each Applicant to whom any Sale Shares have been allocated under the Allocation Notice and deliver his share certificates in respect of the Sale Shares (or an indemnity acceptable to the directors in lieu thereof) to the Company, and
- (b) each Applicant to whom any Sale Shares have been allocated under the Allocation Notice shall be bound to pay to the Company as agent for the Seller the Transfer Price for each of the Sale Shares allocated to him,

in each case not later than the time specified for completion in the Allocation Notice

11.9 Seller's failure to complete

- (a) If the Seller fails to comply with the provisions of article 11.8(a), any of the directors, or some other person nominated by a resolution of the directors, may on behalf of the Seller (and such person shall be deemed to have been authorised by the Seller to) complete, execute and deliver in his name all documents necessary or desirable to give effect to or to perfect the transfer of the relevant Sale Shares to the relevant Applicants,
- (b) In every case, the Company shall be authorised to receive the Transfer Price for each Sale Share and
 - (i) pending transfer of the Sale Share and its registration in the name of the Applicant, shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the relevant Applicant,
 - (ii) (subject to the transfer being duly stamped) enter the Applicant in the register of members as the holder of the Sale Shares purchased by him and issue to such Applicant a share certificate in respect thereof notwithstanding the absence of delivery of any share certificate (or any indemnity in lieu thereof) by the Seller,
 - (iii) upon transfer of the Sale Share in favour of the Applicant and registration of the Applicant as holder, shall hold the Transfer Price in trust (but without interest) for the Seller provided that the same shall not be released to the Seller until the Seller delivers his share certificates for the Sale Shares (or an indemnity acceptable to the directors in lieu thereof) to the Company, and
 - (iv) receipt by the Company of the Transfer Price shall be a good discharge to the Applicant paying the same, and he shall not be bound to see to the application thereof and, after the name of such Applicant has been entered in the register of members, the validity of the proceedings shall not be questioned by any person

11.10 Sale of Surplus Shares

- (a) If an Allocation Notice does not relate to all the Sale Shares, or if article 11 7(a) applies, then the Seller may, within 90 days after service of the Allocation Notice (or the notice given under article 11 7(a)), transfer all or any of the Surplus Shares to any person subject always to the requirements of article 11 10(b)
- (b) The requirements for the sale of any A Ordinary Shares under article 11 10 are that
 - (i) the terms of sale shall be no more favourable to a potential purchaser than those stated in the Transfer Notice (and any representations, warranties or indemnities regarding the A Ordinary Shares and/or the Company or its business (other than as to the title to the Seller's shares) shall be no more extensive than those offered to the Continuing Shareholders),
 - (ii) any Minimum Transfer Condition applicable to the original Transfer Notice shall continue to apply (unless any of the Sale Shares have been sold to Applicants),
 - (iii) the price per A Ordinary Share shall be at least equal to the Transfer Price (subject to adjustment for any dividends or other distributions paid or payable after the date of the Transfer Notice, to the extent that the same are to be retained by the Seller),
 - (iv) the value attributable to any non-cash element of the consideration or of any credit in terms of payment has before any sale of the A Ordinary Shares been agreed to by the directors as not resulting in the requirement of article 11 10(b)(i) being infringed
- (c) The right of the Seller to transfer Sale Shares under article 11 10 does not apply if the directors are of the opinion on reasonable grounds that
 - (i) the sale of the Sale Shares is either not bona fide or the price is subject to a deduction, rebate or allowance to the transferee or otherwise is on terms more favourable to the transferee than those stated in the Transfer Notice relating to the Sale Shares, or
 - (ii) the Seller has failed or refused to provide promptly information available to the Seller and reasonably requested by the directors for the purpose of enabling the directors to form the opinion mentioned above

11.11 Transfer of B Investment Shares

The provisions of article 11 above shall not apply with regard to B Investment Shares. Any B Investment Shareholder shall be entitled to transfer or transmit B Investment Shares to such persons and at such prices as they see fit, provided that such transfer is in respect of the B Investment Shareholder's entire holding of B Investment Shares to a single transferee (except with the prior sanction of a resolution of the board of directors) and provided that such transfer abides by the provisions of article 8 2

12 VALUATION OF SHARES

12 1 Fair Value

If a Transfer Notice does not specify a Transfer Price or if a Transfer Notice is deemed to have been served then, before the end of the Valuation Period, the directors shall

- (a) endeavour to agree the Fair Value per Sale Share with the holder, or, failing such an agreement being made during the Valuation Period,

- (b) appoint expert valuers in accordance with article 12 2 to certify the Fair Value per Sale Share in accordance with this article, and

the value of a share as agreed under article 12 1(a) or as so certified by the Expert Valuers under article 12 1(b) shall be regarded as the "Fair Value" per Sale Share, provided that (in the absence of an agreement under article 12 1(a)) where the Fair Value has been certified for the Sale Shares by Expert Valuers within the Valuation Period, and unless there has been any subsequent material change of circumstances affecting the Company or the shares, the Fair Value as previously certified shall apply

For the purposes of this article, the "Valuation Period" means the period commencing 90 days before and ending 21 days after either the date of service of the Transfer Notice or, in the case of the deemed service of a Transfer Notice, the date on which the directors collectively first had actual knowledge of the facts giving rise to such deemed service

12 2 Expert Valuers

The Expert Valuers will be either

- (a) the auditor for the time being of the Company, or, if so specified in the relevant Transfer Notice,
- (b) an independent firm of Chartered Accountants to be agreed between the directors and the Seller within the period allowed under article 12 1(a) or, failing agreement within that period, to be appointed by the then President of the Institute of Chartered Accountants in England and Wales on the application of either the Seller or the Company

12.3 Assumptions and Bases

The Fair Value of a Sale Share shall be determined by the Expert Valuer on the following assumptions and bases

- (a) valuing all of the shares of the Company as on an arm's-length sale between a willing seller and a willing buyer,
- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
- (c) that the Sale Shares are capable of being transferred without restriction,
- (d) where and to the extent that the value of the Company is determined by reference to expert valuations of the market value of any of its assets and liabilities, there shall be taken into account any taxes which might reasonably be expected to become payable upon a realisation of the same at those values (or which a prudent prospective purchaser of all of the shares of the Company would expect to make a provision for when valuing the Company),
- (e) the Expert Valuers shall not make any adjustment for any premium or discount being attributable to
 - (i) the percentage of the issued share capital of the Company which the shares represent, or
 - (ii) the proportion of the shares which the Sale Shares represent, or
 - (iii) the number of any shares to be retained by the Seller, or

- (iv) the number of any shares which may be held by any potential transferee following any transfer of Sale Shares,

as a proportion of the total issued share capital of the Company, and

- (f) reflect any other factors which the Expert Valuers reasonably believe should be taken into account

12.4 General Provisions

- (a) The Expert Valuers shall be requested to determine and certify the Fair Value of a Sale Share within 35 days of their appointment and to notify the directors and the Seller of their determination
- (b) The Expert Valuers shall give reasonable information demonstrating their method of calculating the Fair Value
- (c) If any difficulty arises in applying any of these assumptions or bases then the Expert Valuers shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit
- (d) The Expert Valuers shall act as experts and not as arbitrators and their determination shall be final and binding on all holders (in the absence of fraud or manifest error)

12.5 Provision of Information

Subject to the Expert Valuers agreeing to such confidentiality provisions as the Company may reasonably impose, the directors shall provide the Expert Valuers with

- (a) access to all accounting records or other relevant documents of the Company, and
- (b) all other information held by the Company which
 - (i) a prudent prospective purchaser of all the shares might reasonably require on a purchase from a willing seller on arm's length terms, or
 - (ii) the Expert Valuers may reasonably request for the purposes of determining and certifying the Fair Value of a Sale Share

12.6 Seller's right to cancel sale

Other than where the sale of the Sale Shares arises as a consequence of the deemed service of a Transfer Notice (whether or not following a notice given by the directors), the Seller may by written notice to the Company within 10 days after the receipt by the Seller of the Expert Valuers' certificate of the Fair Value of a Sale Share, cancel the Transfer Notice and the Company's authority to sell the Sale Shares

12.7 Informing holders of cancellation

If the Seller cancels the Transfer Notice under article 12.6 the directors shall promptly give notice of the cancellation to each of the Continuing Shareholders and the provisions of these articles shall apply anew to any subsequent purported, attempted or actual transfer by the Seller of any shares

12.8 Expert Valuers' cost

The cost of obtaining the Expert Valuers' certificate shall be paid by the Company unless the Fair Value of a Sale Share as certified by the Expert Valuers is less than the price (if any)

proposed as the Fair Value by the directors to the Seller before the Expert Valuers were instructed and the Seller cancels the Transfer Notice (in which case the Seller shall bear the cost)

13 COMPULSORY TRANSFERS

13.1 An A Ordinary Shareholder is deemed to have served a Transfer Notice under article 11 2 immediately before any of the following events

- (a) the A Ordinary Shareholder's bankruptcy, or
- (b) where an A Ordinary Shareholder is a body corporate.
 - (i) an arrangement or composition with the A Ordinary Shareholder's creditors being made other than as part of a solvent reorganisation of that shareholder, or
 - (ii) the A Ordinary Shareholder convening a meeting of his creditors or taking any other steps with a view to making an arrangement or composition in satisfaction of his creditors generally, or
 - (iii) the A Ordinary Shareholder being unable to pay his debts as they fall due within the meaning of section 123 of the Insolvency Act 1986, or
 - (iv) a receiver being appointed over or in relation to, all or any material part of the A Ordinary Shareholder's assets, or
 - (v) the A Ordinary Shareholder suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets, or
 - (vi) the presentation at court by any competent person of a petition for the winding up of that A Ordinary Shareholder and which has not been withdrawn or dismissed within 10 days of such presentation, or
 - (vii) in the case of any of the events set out in paragraphs (b)(i) to (vi), any analogous step in any jurisdiction in which that holder carries on business, or
 - (viii) there is a change of control of
 - (A) any A Ordinary Shareholder that is a company, or
 - (B) where A Ordinary Shares have been transferred under articles 10 1(a) or 10 1(c) or 10 2 (whether directly or by a series of transfers) from a company which originally acquired the same (the "Original Acquirer"), the Original Acquirer, or
- (c) where an A Ordinary Shareholder transfers (or purports to transfer) any A Ordinary Shares other than in accordance with the terms of these articles

13.2 Meaning of change in control

For the purposes of article 13 1(b)(viii), there is a change in control in relation to a body corporate if there is a change in the identity of the persons (if any) who have the power (including through a concentration of power in the hands of one or more such persons) to secure

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

- (b) by virtue of any powers conferred by the articles of association or other document regulating that or any other body corporate,

that the affairs of the first-mentioned body corporate are conducted in accordance with the wishes of that person, and, in relation to a partnership, means the right to a share of more than one-half of the assets, or of more than one-half of the income, of the partnership

13.3 Obligation to inform

Any A Ordinary Shareholder which is subject to a change in control shall inform the directors of such circumstances in writing promptly after becoming aware of the same, and shall provide the directors with such further information as the directors may reasonably request

14 COMPULSORY TRANSFERS - DRAG ALONG

14.1 Drag Along right

If holders holding 65% or more of the total voting rights exercisable at all general meetings conferred by the A Ordinary Shares for the time being in issue (the "**Selling Shareholders**") wish to transfer all their interest in shares (the "**Sellers' Shares**") to a bona fide arm's length purchaser (the "**Proposed Buyer**"), the Selling Shareholders shall have the right (the "**Drag Along Option**") to require all the other holders of shares (the "**Called Shareholders**") to sell their entire interest in all of their shares to the Proposed Buyer in accordance with the provisions of this article

14.2 Exercise of Drag Along right

The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") to the Called Shareholders at any time not less than 15 days before the Drag Along Completion Date. A Drag Along Notice shall specify

- (a) that the Called Shareholders are required to transfer all their shares (the "**Called Shares**") under this article,
- (b) the identity of the Proposed Buyer and, if different, the name of the person to whom the Proposed Buyer has directed that the Called Shares are to be transferred (and references in this article to transfers of the Called Shares to the Proposed Buyer shall, where appropriate, be construed as references to transfers to such person as the Proposed Buyer has nominated),
- (c) the consideration for which the Called Shares are to be transferred (calculated in accordance with this article), which shall not be less than the price per share payable to the Selling Shareholders, and
- (d) the Drag Along Completion Date and the place and time fixed for the completion of the sale of the Called Shares

In this article "**Drag Along Completion Date**" means the date proposed for completion of the sale of the Sellers' Shares to the Proposed Buyer unless

- (i) all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Drag Along Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Selling Shareholders, or
- (ii) that date is less than 15 days after the date on which the Drag Along Notice is given, in which case the Drag Along Completion Date shall be the 15th day after the date the Drag Along Notice was given

14.3 Lapse of Drag Along Notices

Drag Along Notices shall be irrevocable but will lapse if for any reason completion of the sale of the Sellers' Shares to the Proposed Buyer does not take place within 30 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.

14.4 Drag Along Price

The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Buyer for all of the Called Shares and the Sellers' Shares were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with their respective entitlements as if the same were the net proceeds available to holders on the liquidation of the Company. The Selling Shareholders shall procure that the Proposed Buyer pays the total amount to the Company for distribution in accordance with article 14.7(b).

14.5 Disclosure of ancillary benefits

The Selling Shareholders shall disclose in writing to the Company and to each of the Called Shareholders all rights, benefits or other entitlements to which it, or any person in any way affiliated with it, may be or become entitled in connection with or arising out of the direct or any indirect transfer of ownership of shares in the Company, all of which shall be deemed to form part of the consideration paid or proposed to be paid by the Proposed Buyer for the Sellers' Shares.

14.6 No other terms on drag

No Drag Along Notice may require a Called Shareholder to agree to any terms except those specifically provided for in this article. Any transfers of shares by the Selling Shareholders and the Called Shareholders to a Proposed Buyer pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the pre-emption requirements of article 11.

14.7 Completion on drag

- (a) Completion of the sale of the Called Shares shall take place on the Drag Along Completion Date, provided that completion of the sale of the Seller's Shares shall take place contemporaneously or shall already have taken place.
- (b) On or before the Drag Along Completion Date, the Called Shareholders shall deliver stock transfer forms for their shares in favour of the Proposed Buyer, together with the relevant share certificate(s) (or a suitable indemnity in lieu thereof) to the Company.
- (c) On or before the Drag Along Completion Date, the Proposed Buyer shall pay the Company the requisite funds payable on the Drag Along Completion Date to the Called Shareholders and the Selling Shareholders.
- (d) On the Drag Along Completion Date the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are due pursuant to article 14.4 to the extent the Proposed Buyer has put the Company in the requisite funds and the balance of the funds provided for such purpose by the Proposed Buyer shall be made available to the Selling Shareholders.
- (e) The Company's receipt for the price shall be a good discharge to the Proposed Buyer.

- (f) The Company shall hold the amounts due to the Called Shareholders and the Selling Shareholders pursuant to article 14 4 in trust for the Called Shareholders and the Selling Shareholders without any obligation to pay interest
- (g) To the extent that the Proposed Buyer has not, on or before the Drag Along Completion Date, put the Company in funds to pay the price due to the Called Shareholders pursuant to article 14 7(c), the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate (or suitable indemnity) for the relevant shares and the Called Shareholders shall have no further rights or obligations under this article in respect of a proposed sale of their shares in connection with that Drag Along Notice

14.8 Default by a Called Shareholder

If a Called Shareholder fails to comply with article 14 7(b), then, provided that the Proposed Buyer has complied with article 14 7(c)

- (a) the defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent and to execute on his behalf a transfer of his shares to the Proposed Buyer,
- (b) the directors shall then authorise registration of the transfer once appropriate stamp duty has been paid by the Proposed Buyer,
- (c) any failure to produce a share certificate shall not impede the registration of shares under this article 14 8, and
- (d) the defaulting Called Shareholder shall be entitled to payment of the amount due to him under article 14 4 upon surrender to the Company of the share certificate for his shares (or on providing a suitable indemnity)

14.9 Subsequent Subscribers

Following the issue of a Drag Along Notice (subject always to all of the Called Shares being purchased pursuant to that Drag Along Notice), on any person becoming a holder pursuant to the exercise of a pre-existing option to subscribe shares in the Company or on the conversion of any convertible security of the Company (a "New Shareholder")

- (a) a Drag Along Notice on the same terms as the previous Drag Along Notice shall be deemed to have been served on the New Shareholder by the Proposed Buyer,
- (b) that Drag Along Notice shall commit the Proposed Buyer to pay for the shares of the New Shareholder,
- (c) the New Shareholder shall then be bound to sell and transfer all shares acquired by it to the Proposed Buyer, and
- (d) the provisions of this article 14 9 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

14 10 Conclusive transfer

After the Proposed Buyer has been registered as the holder of any shares pursuant to the giving of a Drag Along Notice and the fulfilment of the procedures set out in this article, the validity of such proceedings shall not be questioned by any person

15 MANDATORY OFFER ON A CHANGE OF CONTROL – TAG ALONG

15.1 Controlling Interest

Save where the transfers concerned are Permitted Transfers, and after going through the pre-emption procedure set out in article 11, the provisions of article 15 2 will apply if one or more holders (the "**Proposed Sellers**") propose to make a Proposed Transfer which would, if put into effect, result in the Acquiring Holders together having a Controlling Interest

15.2 Requirement for an Offer

In the circumstances specified in article 15 1, the Proposed Sellers must, before making a Proposed Transfer, procure the making by the Acquiring Holders of, and the Acquiring Holders shall forthwith make, an offer (the "**Offer**") to all holders, which offer can only be taken up by Entitled Holders stating that the Acquiring Holders are obtaining a Controlling Interest and offering to purchase up to all of the shares of each of the Entitled Holders at a price per share (the "**Acquisition Price**") which is at least equal to the Specified Price

15.3 Offer Notice

The Offer must

- (a) be made by written notice (an "**Offer Notice**") at least 21 days (the "**Tag Offer Period**") before the proposed sale date (the "**Sale Date**") of the Proposed Transfer,
- (b) set out in the Offer Note, to the extent not described in any accompanying documents, the identity of the Acquiring Holders and the Acquisition Price and the Sale Date, and
- (c) specify that completion of the purchase of any shares pursuant to an acceptance of the Offer shall take place contemporaneously with the completion of the Proposed Transfer on the Sale Date

15.4 Acceptance of an Offer

- (a) An Entitled Holder may, by written notice delivered to the Company before the end of the Tag Offer Period applicable to the Proposed Transfer, accept the Offer in respect of all or any of his shares. Such notice shall specify the number of shares in respect of which the Offer is accepted
- (b) If any Entitled Holder is not given the rights accorded him by this article, the Proposed Sellers will not be entitled to complete their sale of shares under the Proposed Transfer and the Company shall not register any transfer intended to carry that sale into effect
- (c) If the Offer is accepted by any Entitled Holder (an "**Accepting Shareholder**") within the Tag Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the shares in respect of which Accepting Shareholders have accepted the Offer
- (d) The Proposed Transfer is subject to the pre-emption provisions of article 11 but the purchase of the Accepting Shareholders' shares shall not be subject to article 11

15.5 Directors' discretion

The Proposed Sellers shall not have any right to make a Proposed Transfer to which the circumstances specified in article 15 1 apply if the directors are of the opinion on reasonable grounds that either any of the Proposed Sellers and/or any of the Acquiring Holders

- (a) shall have given incorrect or misleading information to any person regarding the Proposed Transfer, the Controlling Interest, any increase in a Controlling Interest and/or any information pertinent to the calculation of the Specified Price, or
- (b) has failed or refused to provide promptly information available to that person and reasonably requested by the directors for the purpose of enabling the directors to form the opinion mentioned above

16 PARTLY PAID SHARES

16.1 Company's lien over partly paid shares

- (a) The Company has a lien ("the Company's lien") over every share which is partly paid for any part of
 - (i) that share's nominal value, and
 - (ii) any premium at which it was issued,

which has not been paid to the Company, and which is payable immediately or at some time in the future, whether or not a call notice has been sent in respect of it. The Company's lien may extend to all shares standing registered in the name of a person for all monies presently payable by them to the Company

- (b) The Company's lien over a share
 - (i) takes priority over any third party's interest in that share, and
 - (ii) 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
- (c) 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

16.2 Enforcement of the Company's lien

- (a) Subject to the provisions of this article, if
 - (i) a lien enforcement notice has been given in respect of a share, and
 - (ii) 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
- (b) A lien enforcement notice
 - (i) may only be given in respect of a share which is subject to the Company's lien where there are monies payable to the Company by the relevant shareholder and the due date for payment of that sum has passed,
 - (ii) must specify the share concerned,
 - (iii) must require payment of the sum payable within fourteen days of the notice,
 - (iv) must be addressed either to the holder of the share or the transmittee, and

- (v) must state the Company's intention to sell the share if the notice is not complied with
- (c) Where shares are sold under this article
 - (i) the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and
 - (ii) 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
- (d) The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied
 - (i) 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
 - (ii) 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 a suitable indemnity has been given for any lost certificates
- (e) 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
 - (i) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
 - (ii) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share
- (f) Where the Company becomes entitled to sell any share under this article, the directors may within ninety days after becoming so entitled also give notice to the shareholder requiring the payment within fourteen days of the notice of all sums outstanding on any other partly paid shares held by that shareholder (whether or not the directors would, in the absence of this article 16 2(f) be entitled to send a call notice under article 16 3 and such notice shall take effect as a call notice

16.3 Call notices

- (a) Subject to the articles and the terms on which shares are allotted, the directors may send a notice (a "call notice") to a shareholder requiring the shareholder to pay the Company a specified sum of money (a "call") which is payable in respect of shares which that shareholder holds at the date when the directors decide to send the call notice
- (b) A call notice
 - (i) may not require a shareholder to pay a call which exceeds the total sum unpaid on that shareholder's shares (whether as to the share's nominal value or any amount payable to the Company by way of premium),
 - (ii) must state when and how any call to which it relates it is to be paid, and
 - (iii) may permit or require the call to be paid by instalments
- (c) A shareholder must comply with the requirements of a call notice, but no shareholder is obliged to pay any call before 14 days have passed since the notice was sent

- (d) Before the Company has received any call due under a call notice the directors may
 - (i) revoke it wholly or in part, or
 - (ii) specify a later time for payment than is specified in the notice,by a further notice in writing to the shareholder in respect of whose shares the call is made

16.4 Liability to pay calls

- (a) Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid
- (b) Joint holders of a share are jointly and severally liable to pay all calls in respect of that share
- (c) Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them
 - (i) to pay calls which are not the same, or
 - (ii) to pay calls at different times

16.5 When call notice need not be issued

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

16.6 Failure to comply with call notice automatic consequences

- (a) If a person is liable to pay a call and fails to do so by the call payment date
 - (i) the directors may issue a notice of intended forfeiture to that person, and
 - (ii) until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate, and
 - (iii) until the call is paid, that person's right to cast any vote in respect of the shares concerned (or to be taken into account for the purposes of any written resolution or any quorum) shall be suspended
- (b) For the purposes of this article
 - (i) the "call payment date" is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the "call payment date" is that later date,

(ii) the "relevant rate" is

- (A) the rate fixed by the terms on which the share in respect of which the call is due was allotted,
- (B) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors, or
- (C) if no rate is fixed in either of these ways, 5 per cent per annum

The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998

(c) The directors may waive any obligation to pay interest on a call wholly or in part

16.7 Notice of intended forfeiture

A notice of intended forfeiture

- (a) may be sent at any time when a call has not been paid in full in respect of any share the subject of a call notice,
- (b) must be sent to the holder of that share or to the transmittee,
- (c) must require payment of the call and any accrued interest by a date which is not less than fourteen days after the date of the notice,
- (d) must state how the payment is to be made, and
- (e) must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited

16.8 Directors' power to forfeit shares

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

16.9 Effect of forfeiture

- (a) Subject to the articles, the forfeiture of a share extinguishes
 - (i) all interests in that share, and all claims and demands against the Company in respect of it, and
 - (ii) all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the Company
- (b) Any share which is forfeited in accordance with the articles
 - (i) is deemed to have been forfeited when the directors decide that it is forfeited,
 - (ii) is deemed to be the property of the Company, and
 - (iii) may be sold, re-allotted or otherwise disposed of as the directors think fit

- (c) If a person's shares have been forfeited
 - (i) the Company must send that person notice that forfeiture has occurred and record it in the register of members,
 - (ii) that person ceases to be a shareholder in respect of those shares,
 - (iii) that person must surrender the certificate for the shares forfeited to the Company for cancellation,
 - (iv) that person remains liable to the Company for all sums payable by that person under the articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture), and
 - (v) the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal
- (d) At any time before the Company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit

16 10 Procedure following forfeiture

- (a) If a forfeited share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer
- (b) A statutory declaration by a director or the Company secretary that the declarant is a director or the Company secretary and that a share has been forfeited on a specified date
 - (i) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
 - (ii) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share
- (c) A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share
- (d) If the Company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission and any costs of sale and any other costs of forfeiture, and excluding any amount which
 - (i) was, or would have become, payable, and
 - (ii) had not, when that share was forfeited, been paid by that person in respect of that share,

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

16 11 Surrender of shares

- (a) A shareholder may surrender any share
 - (i) in respect of which the directors may issue a notice of intended forfeiture,

- (ii) which the directors may forfeit, or
- (iii) which has been forfeited
- (b) The directors may accept the surrender of any such share
- (c) The effect of surrender on a share is the same as the effect of forfeiture on that share
- (d) A share which has been surrendered may be dealt with in the same way as a share which has been forfeited

17 CONSOLIDATION OF SHARES

17.1 Procedure for disposing of fractions of shares

- (a) This article applies where
 - (i) there has been a consolidation or division of shares, and
 - (ii) as a result, shareholders are entitled to fractions of shares
- (b) The directors may
 - (i) sell the shares representing the fractions to any person including the Company for the best price reasonably obtainable,
 - (ii) authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and
 - (iii) distribute the net proceeds of sale in due proportion among the holders of the shares
- (c) Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the directors (but not greater than £10), that shareholder's portion may be retained by the Company for the benefit of the Company
- (d) The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions
- (e) The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale

18 DIVIDENDS AND OTHER DISTRIBUTIONS

18.1 Procedure for declaring dividends

- (a) The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends
- (b) 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
- (c) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights
- (d) Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specifies otherwise, the dividend 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

- (e) 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
- (f) 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

18 2 Payment of dividends and other distributions

- (a) 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
 - (i) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide,
 - (ii) 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,
 - (iii) 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
 - (iv) any other means of payment as the directors agree with the distribution recipient
- (b) In these articles, "**the distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable
 - (i) the holder of the share, or
 - (ii) if the share has two or more joint shareholders then with respect to any cheque payable, or other payments made, to the distribution recipient, all of the joint shareholders (or, where applicable persons, nominated by all of the joint shareholders) but with respect to any notice to be given to the distribution recipient, to whichever of them is named first in the register of members (the "**senior holder**"), or
 - (iii) if the shareholder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee

18 3 Deductions from distributions in respect of sums owed to the Company

- (a) If
 - (i) a share is subject to the Company's lien, and
 - (ii) the directors are entitled to issue a lien enforcement notice in respect of it,they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the Company in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice

- (b) Money so deducted must be used to pay any of the sums payable in respect of that share
- (c) The Company must notify the distribution recipient in writing of
 - (i) the fact and amount of any such deduction,
 - (ii) any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction, and
 - (iii) how the money deducted has been applied

18.4 No interest on distributions

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

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

18.5 Unclaimed distributions

- (a) All dividends or other sums which are
 - (i) payable in respect of shares, and
 - (ii) 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
- (b) The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it
- (c) If
 - (i) ten years have passed from the date on which a dividend or other sum became due for payment, and
 - (ii) 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

18.6 Non-cash distributions

- (a) 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)
- (b) 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
 - (i) fixing the value of any assets,
 - (ii) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients, and

- (iii) vesting any assets in trustees

18.7 Waiver of distributions

Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the Company notice in writing to that effect, but if

- (a) the share has more than one joint shareholder, or
- (b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint shareholders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the joint shareholders or persons otherwise entitled to the share

19 CAPITALISATION OF PROFITS

19.1 Authority to capitalise and appropriation of capitalised sums

- (a) Subject to these articles, the directors may, if they are so authorised by an ordinary resolution
 - (i) 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
 - (ii) appropriate any sum which they so decide to capitalise (a "**capitalised sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**persons entitled**") and in the same proportions
- (b) Capitalised sums must be applied
 - (i) on behalf of the persons entitled, and
 - (ii) in the same proportions as a dividend would have been distributed to them
- (c) 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
- (d) A capitalised sum which was appropriated from profits available for distribution may be applied in or towards paying up any amounts unpaid on existing shares held by the persons entitled or 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
- (e) Subject to these articles the directors may
 - (i) apply capitalised sums in accordance with articles 19 1(c) and 19 1(d) partly in one way and partly in another,
 - (ii) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments), and
 - (iii) authorise any person to enter into an agreement with the Company on behalf of all the entitled persons which shall be binding on them in respect of the allotment of shares and debentures to them under this article

20 DECISION-MAKING BY SHAREHOLDERS / ORGANISATION OF GENERAL MEETINGS

20.1 Attendance and speaking at general meetings

- (a) The A Ordinary Shares shall each carry one vote. The holders of A Ordinary Shares shall have the right to receive notices of any general meetings and to attend, speak and vote at such general meetings. The B Investment Shares shall have no voting rights attached to them, and holders of B investment Shares shall not have the right to receive notices of any general meetings, or the right to attend at such general meetings.
- (b) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate contemporaneously during the meeting to all those attending the meeting any information or opinions which that person has on the business of the meeting.
- (c) A person is able to exercise the right to vote at a general meeting when
 - (i) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - (ii) 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.
- (d) 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.
- (e) In determining attendance at a general meeting, it is immaterial whether any two or more shareholders attending it are in the same place as each other.
- (f) 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.

20.2 Quorum and notice for general meetings

- (a) 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.
- (b) Notice of any general meeting shall be given in accordance with the provisions of sections 307 and 360 CA 2006.
- (c) One qualifying person present at a general meeting shall constitute a quorum where the Company has only one shareholder. In any other case, two or more Shareholders holding a majority of the A Ordinary Shares are a quorum.

20.3 Chairing general meetings

- (a) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- (b) 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
 - (i) the directors present, or
 - (ii) (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

- (c) The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting"

20.4 Attendance and speaking by directors and non-shareholders

- (a) Directors (including alternate directors) may attend and speak at general meetings, whether or not they are shareholders
- (b) The chairman of the meeting may permit other persons who are not.
 - (i) shareholders of the Company, or
 - (ii) otherwise entitled to exercise the rights of shareholders in relation to general meetings,

to attend and speak at a general meeting

20.5 Adjournment

- (a) If within half an hour of the time at which a general meeting was due to start a quorum is not present, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn the meeting
- (b) The chairman of the meeting may adjourn a general meeting at which a quorum is present if
 - (i) the meeting consents to an adjournment, or
 - (ii) 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
- (c) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting
- (d) When adjourning a general meeting, the chairman of the meeting must
 - (i) 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
 - (ii) have regard to any directions as to the time and place of any adjournment which have been given by the meeting
- (e) Unless otherwise approved by a resolution of the meeting before it is adjourned, the continuation of an adjourned meeting shall take place no more than 21 days after it was adjourned and unless the time and place of the continuation was announced by the chairman of the meeting at the meeting before it is adjourned the Company must give at least 2 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)
 - (i) to the same persons to whom notice of the Company's general meetings is required to be given, and
 - (ii) containing the same information which such notice is required to contain

- (f) 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
- (g) If at an adjourned meeting a quorum is not present within half an hour from the time at which the continuation of the meeting is due to start those shareholders present in person or by a duly authorised representative or by proxy, whatever their number, shall be a quorum/the meeting shall be dissolved

21 VOTING AT GENERAL MEETINGS

21.1 Voting, general

- (a) A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these articles
- (b) Every A Ordinary Shareholder who is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by a proxy shall on a poll have one vote for every A Ordinary Share of which he is the holder and on a show of hands at a meeting every A Ordinary Shareholder who is present in person shall have one vote and any proxy or corporate representative present shall have an entitlement fixed in accordance with sections 284, 285 and 323 respectively of the CA 2006
- (c) Where there are joint shareholders present, such holders shall between them only have one vote on a show of hands at a meeting and on a poll one vote for every A Ordinary Share of which they are the joint holders and in the event that the joint shareholders do not reach agreement as to how to how their vote should be exercised, the vote of the senior holder who votes shall prevail and be taken into account
- (d) Written resolutions may be passed by the shareholders in accordance with Chapter 2 of Part 13 CA 2006 In the case of A Ordinary Shares which are jointly held, written resolutions may be signed by any of the joint holders

21.2 Errors and disputes

- (a) 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
- (b) Any such objection must be referred to the chairman of the meeting, whose decision is final

21.3 Poll votes

- (a) A poll on a resolution may be demanded
 - (i) in advance of the general meeting where it is to be put to the vote, or
 - (ii) 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
- (b) A poll may be demanded by
 - (i) the chairman of the meeting,
 - (ii) any of the directors,
 - (iii) by any A Ordinary Shareholder present in person or by proxy
- (c) A demand for a poll may be withdrawn if

- (i) the poll has not yet been taken,
 - (ii) the chairman of the meeting consents to the withdrawal and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made
- (d) A poll demanded on the election of a chairman or on a question of adjournment must be taken immediately. Other polls must be taken within 30 days after the date the general meeting was called for. No notice need be given of a poll not taken 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 7 days' notice must be given specifying the time and place at which the poll is to be taken. A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded.
- (e) The chairman of the meeting may appoint scrutineers (who need not be shareholders) and decide how and when the result of a poll is to be declared.
- (f) The result of a poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded.

21.4 Corporate representatives

One or more corporate representatives may be appointed by any shareholder which is a corporation in accordance with the provisions of the CA 2006.

21.5 Proxies' right to speak

A shareholder present at a meeting by one or more proxies shall be entitled to speak at the meeting through any of them.

21.6 Votes by proxies on written resolutions and quorum

Subject to the provisions of the Companies Acts

- (a) any person who is a shareholder and who is also acting as the representative or proxy of another shareholder or shareholders or a person who is not a shareholder and who is acting as the representative or proxy of two or more shareholders may sign a written resolution of the shareholders in more than one capacity, and
- (b) a person who attends a general meeting shall be counted once for each capacity in which such person acts for the purpose of determining whether the quorum for the transaction of the business of such meeting exists.

21.7 Content of proxy notices

- (a) Proxies may only validly be appointed by a notice in writing (a "**proxy notice**") which
 - (i) states the name and address of the shareholder appointing the proxy,
 - (ii) identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed,
 - (iii) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine, and
 - (iv) is delivered to the Company in accordance with these articles and any instructions contained in the notice of the general meeting to which they relate.

Where there are joint shareholders the proxy notice must be signed by at least one of them

- (b) The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes
- (c) 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
- (d) Unless a proxy notice indicates otherwise, it must be treated as
 - (i) 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
 - (ii) 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

21.8 Delivery of proxy notices

- (a) 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
- (b) An appointment under a proxy notice may be revoked by delivering to the Company a notice given by or on behalf of the person by whom or on whose behalf the proxy notice was given to a proxy notification address
- (c) 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
- (d) 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
- (e) Any notice of a general meeting must specify the address ("**proxy notification address**") at which the Company or its agents will receive proxy notices relating to that meeting or any adjournment of it, delivered in hard copy or electronic form
- (f) A proxy notice must be delivered to a proxy notification address not less than 15 minutes before the general meeting or adjourned meeting to which it relates

21.9 Amendments to resolutions

- (a) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if
 - (i) 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
 - (ii) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution
- (b) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if

- (i) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - (ii) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution
- (c) 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

22 ADMINISTRATIVE ARRANGEMENTS

22.1 Notices

- (a) Any notice to be given to or by any person pursuant to these articles (other than a notice calling a meeting of the directors) shall be in writing (in hard copy form) or shall be given using electronic communications to an address for the time being notified for that purpose to the person giving the notice. In this article "address", in relation to electronic communications, includes any number or address used for the purposes of such communications
- (b) The Company may give any notice or other document (including a share certificate) to a shareholder or director either
 - (i) personally, or
 - (ii) by sending it by post in a prepaid envelope addressed to the shareholder or director at his registered address as appearing in the register of members or directors (as the case may be), or
 - (iii) by delivering it to or leaving it at that address addressed as aforesaid, or
 - (iv) by fax (except for share certificates) to a fax number notified by the shareholder or director in writing, or
 - (v) by electronic communications (except for share certificates) to an address notified by the shareholder or director in writing pursuant to the provisions of article 22.2, or
 - (vi) by any other means provided such other means have been authorised in writing by the shareholder or director concerned

In the case of joint holders of a share, service or delivery of any notice or other document on or to one of the joint holders shall for all purposes be deemed a sufficient service on or delivery to all the joint holders

- (c) A shareholder present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called
- (d) If any shareholder waives notice in writing of any meeting either prospectively or retrospectively, such waiver shall not constitute an objection to the validity of such meeting that notice was not given to him
- (e) Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given

- (f) A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted. Any notice or other document served or delivered personally as set out in article 22 1(b)(i) or in accordance with article 22 1(b)(iii) shall be deemed to have been duly served or delivered on the day of service or delivery. Any notice or other document served or delivered by fax or by electronic communications shall be deemed to have been duly served or delivered at the time it was sent.
- (g) Any notice or other document served or delivered in accordance with these articles shall be deemed duly served or delivered notwithstanding that the shareholder is then dead or bankrupt or insolvent or otherwise under any legal disability or incapacity and whether or not the Company had notice thereof.
- (h) A notice may be given by the Company to a transmittee by sending or delivering it, in any manner authorised by these articles for the giving of notice to a shareholder, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.
- (i) Subject to the provisions of the Companies Acts, a document or information may be sent or supplied to a person by being made available on a website.
- (j) Any notice or other document to be sent or delivered to the Company shall be in writing or shall be given using electronic communications to an address for the time being notified for that purpose to the person giving the notice. If a notice or document is sent by fax or by electronic communications, it is treated as being delivered at the time it was sent. Electronic communications which cannot be read or opened or which contain a computer virus will not be treated as being received.

Nothing in this article shall affect any provision of the Companies Acts or any other legislation requiring notices or documents to be delivered in a particular way.

22 2 Electronic communication

- (a) Notices and any other communications sent or supplied, by or to shareholders or directors under these Articles may be sent or supplied by electronic means as defined in section 1168 of the CA 2006 (including via a website, chatroom, extranet, intranet, blog, online social network or forum or other similar mechanism duly notified to such shareholder or director or by electronic mail to any email address supplied to the Company, its officers or agents in writing by such shareholders or directors).
- (b) For the purposes of article 22 2(a) above, the Company can assume that any email addresses supplied to the Company, its officers or agents by shareholders or directors are up to date and current, and it is the sole responsibility of each shareholder and director to update the Company as to any changes in their email addresses, and to ensure that the Company has and uses the correct email address. In this regard, all shareholders and directors agree that the Company has no responsibility to any shareholder or director who fails to receive any notice or other communication as a result of the shareholder or director failing to comply with this article 22 2(b).
- (c) When any notice or communication is sent by means of a website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism, an email shall be sent to shareholders to inform them of the existence of the notice or communication made on such website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism in accordance with Schedule 5 of the CA 2006.

- (d) Any notice or communication sent by means of a website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism, shall be deemed to have been served on the intended recipient when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website, and any notice or communication sent by electronic mail or fax shall be deemed to be delivered at the time it was sent and shall be deemed to have been received 24 hours after its transmission
- (e) The Company's obligation to send or supply any notice or communication to shareholders or directors is satisfied when the Company transmits an electronic message and the Company is not responsible for a failure in transmission beyond its control
- (f) Each shareholder and director shall, for the purposes of paragraph 6 and paragraph 9 of Schedule 5 of the CA 2006, be deemed to have agreed to accept notices or communications from the Company in electronic form, and to them being made available on a website, by providing a copy of his email address and expressly consenting to that email address being used for the purpose of receiving notices or communications from the Company in electronic form, and to the Company making information available on a website

22.3 Company seals

- (a) Any common seal may only be used by the authority of the directors
- (b) The directors may decide by what means and in what form any common seal is to be used
- (c) 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
- (d) For the purposes of this article, an authorised person is
 - (i) any director of the Company,
 - (ii) the Company secretary (if any), or
 - (iii) any person authorised by the directors for the purpose of signing documents to which the common seal is applied

22.4 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, or except as provided by article 22.5, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a shareholder

22.5 Accounts

- (a) The Company shall at all times maintain accounting and other financial records in accordance with the requirements of all applicable laws and generally accepted accounting principles applicable in the United Kingdom
- (b) Subject to the Company being
 - (i) reimbursed for its reasonable costs and expenses for it, its directors and other personnel collating the requested information,
 - (ii) satisfied to its reasonable satisfaction that the Original Shareholder is subject to duties of confidentiality in respect of the requested information, and

- (iii) satisfied to its reasonable satisfaction that the Original Shareholder is not carrying on, concerned, engaged or interested directly or indirectly (in any capacity whatsoever) in any trade or business of a Competitor, except where such interest relates solely to an interest in the shares or other securities of a Company traded on a securities exchange provided such interest does not extend to more than 3 per cent of the issued share capital of that Company,

the Company shall provide an Original Shareholder promptly with such information concerning the Company and its business as such Original Shareholder may reasonably require from time to time unless such requested information is reasonably regarded by the board of directors to be the subject of client-attorney legal privilege in circumstances where such disclosure or access would be reasonably regarded as waiving legal privilege in respect of such documents or information

22.6 Confidentiality

- (a) This article 22 6 applies to all information concerning the business or affairs of the Company or other information confidential to the Company disclosed by the Company to any of the shareholders or which any of the shareholders learns as a result of the relationship between the shareholders, in each case in any medium (together "Confidential Information", and in relation to a particular item of Confidential Information the "disclosing party" means the person to whom the Confidential Information relates or is proprietary, and "receiving party" means a person which receives or otherwise becomes aware of that Confidential Information)
- (b) Each receiving party shall with respect to any and all Confidential Information and shall procure that each of its respective officers, employees and agents shall
 - (i) keep the Confidential Information secret and confidential, and shall not without the prior written consent of the disclosing party disclose the Confidential Information to any other person, and
 - (ii) not use the Confidential Information for any purpose other than performing his obligations and exercising its rights under these articles or any employment or consulting agreement he may have with the Company,

save that the receiving party may disclose Confidential Information where (but only to the extent) required by any law, rule, or regulation or by the order of any court of competent jurisdiction, or by any other competent authority in which case the receiving party to the extent reasonably practicable and not prohibited by any law, rule or regulation, shall promptly notify the disclosing party and shall take such steps as the disclosing party may reasonably require in relation to such disclosure

- (c) Article 22 6(b) shall not apply to any Confidential Information which
 - (i) is now or subsequently becomes part of the public domain other than as a result of disclosure by or other default of a receiving party, or
 - (ii) the receiving party can reasonably demonstrate was either lawfully in his possession prior to the date of his becoming a shareholder and was not subject to any duty of confidentiality, or was subsequently disclosed to him on a non-confidential basis by a person which does not owe any duty of confidentiality to the disclosing party

22.7 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

23 DIRECTORS' INDEMNITY AND INSURANCE

23.1 Indemnity

- (a) Subject always to the provisions of the Companies Acts (and every other statute for the time being in force concerning companies and affecting the Company) and article 23 1(e) and without prejudice to any protection from liability which may otherwise apply, the Company may, at its discretion and subject to any policies adopted by the directors from time to time, indemnify every director (including a director of a company that is a trustee of an occupational pension scheme) or other officer or auditor of the Company out of the assets of the Company against all costs, charges, losses, expenses and liabilities which he may sustain or incur in relation to the Company in the actual or purported execution of the duties of his office or the exercise or purported exercise of his powers or otherwise in relation thereto, including any liability incurred by him in defending any criminal or civil proceedings
- (b) No such indemnity as is referred to in article 23 1(a) shall be provided in respect of any liability incurred
 - (i) by a director or other officer,
 - (A) to the Company or any associated company of the Company,
 - (B) to pay a fine imposed in any criminal proceedings or a penalty imposed by a regulatory authority for non-compliance with any requirement of a regulatory nature (however arising),
 - (C) in defending any criminal proceedings in which he is convicted,
 - (D) in defending any civil proceedings brought by the Company, or an associated company of the Company, in which judgment is given against him,
 - (E) in connection with any application for relief under sections 661(3) or (4) or 1157 CA 2006 in which the court refuses to grant him relief, or
 - (ii) by an auditor in defending any proceedings (whether civil or criminal) in which judgment is given against him or he is convicted
- (c) The Company may subject always to article 23 1(d) at its discretion provide a director or other officer with funds, or otherwise arrange, to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings or defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority or in connection with any application for relief under the Companies Act (and every other statute for the time being in force concerning companies and affecting the Company) arising in relation to the Company or an associated company by virtue of the actual or purported execution of the duties of his office or the exercise or purported exercise of his powers or otherwise in relation thereto
- (d) For the purposes of article 23 1(c), such funds may only be made available in accordance with the provisions of the Companies Acts (and every other statute for the time being in force concerning companies and affecting the Company), including on the terms that such funds shall be repaid by the director or other officer to the Company in the circumstances required by the Companies Acts, where relevant, or in any other circumstances the Company may prescribe, or where the Company otherwise reserves the right to require repayment, at any time, and the Company at its discretion exercises such right

- (e) Articles 23 1(a) and 23 1(b) and 23 1(e) shall permit the Company to give such indemnities and to provide such funding to any person who was formerly a director or other officer or auditor of the Company where the proceedings brought against him relate to any act or omission alleged to have been committed or to have occurred at a time during which he held such office

23.2 Insurance

Without prejudice to the provisions of article 23 1, the Company, acting by the directors, shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers or employees of the Company, or of any other company in which the Company or any of the predecessors of the Company has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or of any such other company, or who are or were at any time trustees of any pension fund in which employees of the Company or of any such other company or subsidiary undertaking are interested, including, (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company, subsidiary undertaking or pension fund For the purposes of this article "subsidiary undertaking" shall have the meaning ascribed to it in the Companies Acts

23.3 Associated companies

In this article companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate

24 MISCELLANEOUS

24.1 Winding up

If the Company shall be wound up (whether the liquidation is altogether voluntary, under supervision or by the Court) the liquidator may, with the authority of a special resolution and any other sanction or authority required by the Companies Acts or the Insolvency Act 1986, divide among the shareholders in proportion to their shareholdings in specie the whole or any part of the assets of the Company, and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the shareholders The liquidator may, with the like authority, vest the whole or any part of the assets in trustees upon such trusts for the benefit of shareholders as the liquidator shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no shareholder shall be compelled by the liquidator to accept any assets in respect of which there is attached a liability or potential liability

24 2 Restrictive Covenants

- (a) For the purpose of assuring to the shareholders the value of the business of the Company and the full benefit of the goodwill of the business of the Company each of the Founder and the Co-Founder severally undertakes and covenants with the shareholders and the Company that (save for (1) any interest in the shares or other securities of a company traded on a securities market so long as such interest does not extend to more than 3 per cent of the issued share capital of the company or the class of securities concerned and / or (2) any dealings or relationship with any company or other entity or person in respect of which the Company has had an Exit) he shall not

- (i) while he is a director or employee of, or a consultant to, the Company carry on or be concerned, engaged or interested directly or indirectly (in any capacity whatsoever) in any trade or business of a Competitor, or
 - (ii) during the period of 12 months commencing on the Termination Date within
 - (A) the Restricted Territory carry on or be concerned, engaged or interested directly or indirectly in any capacity whatsoever in any trade or business of a Competitor, or
 - (B) either on his own behalf or in any other capacity whatsoever directly or indirectly endeavour to entice away from the Company or solicit any person, firm or company who was a client or customer of the Company during the Relevant Period with whom he shall have been engaged or involved by virtue of his duties during the Relevant Period, or
 - (C) either on his own behalf or in any other capacity whatsoever directly or indirectly endeavour to entice away from the Company or solicit any person, firm or company who was a supplier, agent or distributor of the Company during the Relevant Period with whom he shall have been engaged or involved by virtue of his duties during the Relevant Period, or
 - (D) either on his own behalf or in any other capacity whatsoever directly or indirectly employ, engage or induce, or seek to induce, to leave the service of the Company any person who is or was a Key Employee with whom he shall have had dealings during the Relevant Period whether or not such person would commit any breach of his contract of employment by reason of so leaving the service of the Company or otherwise, or
 - (iii) at any time after the Termination Date represent himself as being in any way currently connected with or interested in the business of the Company (other than as a shareholder, director, employee or consultant if that be the case)
- (b) Each of the restrictions contained in each article of article 24 2(a) is separate and distinct and is to be construed separately from the other such restrictions. Each of the Founder and the Co-Founder severally acknowledges that he considers the restrictions to be reasonable both individually and in the aggregate and that the duration, extent and application of each of the restrictions are no greater than is necessary for the protection of the goodwill of the businesses of the Company and that the consideration paid by the shareholders for the shares takes into account and adequately compensates him for any restriction or restraint imposed by it. However, if any restriction shall be found to be void or unenforceable but would be valid or enforceable if some part or parts of it were deleted or the period or area of application reduced, each of the Founder and the Co-Founder agrees that the restriction shall apply with such modification as may be necessary to make it valid.
- (c) If article 24 2(a) is breached, the Founder, the Co-Founder and the shareholders agree that damages alone are not likely to be sufficient compensation, and that injunctive relief is reasonable and is likely to be essential to safeguard the interests of the shareholders and the Company and that injunctive relief (in addition to any other equitable remedies) may (subject to the discretion of the courts) be obtained
- (i) also for the benefit of the Company in the context of his employment by the Company, and
 - (ii) the duration, extent and application of each of the restrictions are no greater than are necessary for the protection of the interests of the Company and the Shareholders

- (d) Without prejudice to the Founder's duties as a director of the Company and his duties of confidentiality (including as set out in article 22.6, which duties and obligations shall remain in full force and effect notwithstanding this article 24.2(d)), nothing in this article 24.2 shall prevent the Founder providing legal advice in his capacity solely as a solicitor of Wiggins LLP or any other firm of solicitors