

Company number 09749521

**PRIVATE COMPANY LIMITED BY SHARES**

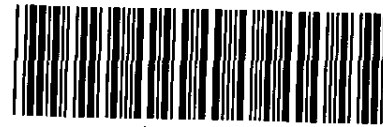
**WRITTEN RESOLUTION**

of

**CANDY MECHANICS LIMITED ("Company")**

**28<sup>th</sup> October 2019 ("Circulation Date")**

THURSDAY



A23 \*A8J5WUJU\* 28/11/2019 #94  
COMPANIES HOUSE

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 ("**CA 2006**") and subject to Investor Consent (as defined in the Shareholders' Agreement Superseding the Shareholder Agreement Dated August 10<sup>th</sup> 2016 as amended by the Deed of Adherence and Amendment dated 13<sup>th</sup> December 2018 – "Shareholders Agreement") being obtained where such Investor Consent is required, the directors of the Company ("**Directors**") propose that the following resolutions are passed as ordinary and special resolutions as specified ("**Resolution**").

**1. New Funding Round – Issue of Shares (Ordinary Resolution and Investor Consent)**

That, the Directors be generally and unconditionally authorised to allot to existing shareholders and new investors up to 65,000 ordinary shares of £0.001 each in the Company for the subscription price of £11.56 per ordinary share and subject to the Company's Articles of Association and the Shareholders Agreement ("Proposed Allotment").

**2. New Funding Round – Disapplication of Pre-Emption Rights (Special Resolution)**

That, the Directors be generally empowered to issue the Proposed Allotment in one or in a series of transactions as the Company thinks fit as if the pre-emption rights set out in the Company's articles and in the Shareholders Agreement did not apply to the Proposed Allotment.

**3. Growth Shares (Special Resolution and Investor Consent)**

That, the Directors be generally empowered (including for the purpose of section 551 of the Companies Act 2006) to:

3.1. create a new class of shares of £0.01 each in the share capital of the Company ("Growth Shares") with:

- (i) no voting rights nor rights to dividends;
- (ii) right to participate in the winding up of the Company provided that the valuation of the Company on the date of the board meeting that approves the winding up is equal or higher than the £3,500,000 ("Hurdle Price"), in which case the Growth Shares shall have

the right to participate pari passu with other ordinary shares in the difference between total surplus of the winding up and the Hurdle Price; and

(iii) subject to tag along and drag along rights set out in the articles of association of the Company as amended from time to time, right to participate in the proceeds of the sale of the entire share capital of Candy Mechanics provided that the aggregate purchase price paid by the buyers for such entire share capital is equal or higher than the Hurdle Price, in which case the Growth Shares shall have the right to participate pari passu with other ordinary shares in the difference between the actual purchase price and the Hurdle Price. For the avoidance of doubt, the Growth Shares shall not have any right in the first £3,500,000 of the referred purchase price which shall be distributed among the holder of other classes of shares only.

3.2. offer, issue and allot Growth Shares and rights to subscribe to Growth Shares to members of the Company staff (including employees, contractors, workers and consultants);

3.3. issue the Growth Shares and rights to subscribe to Growth Shares as if the pre-emption rights set out in the Company's articles and in the Shareholders Agreement did not apply to the Proposed Allotment;

#### **4. Employee Option Pool (Special Resolution and Investor Consent)**

That, the Directors be generally empowered (including for the purpose of section 551 of the Companies Act 2006) to:

4.1. establish employee share option scheme(s) under the Enterprise Management Incentive ("EMI") or otherwise to represent up to 12% of the Company fully diluted share capital (excluding the Growth Shares) from time to time ("Employee Option Pool"), so that the percentage of the Employee Option Pool is always 12% and is not diluted by the issue of new shares;

4.2. establish the rules and conditions that shall apply to the Employee Option Pool and to the option agreements between the Company and its employees (in particular with regards to grant and exercise conditions, exercise price, lapse of the option and restrictions over the shares);

4.3. decide which employees shall be granted the options under the Employee Option Pool;

4.4. issue and allot the shares and rights to subscribe to shares required to serve the Employee Option Pool.

#### **5. Amendments to the Company's Articles of Association (Special Resolution and Investor Consent)**

That, the Directors be generally empowered to amend the Company's articles of association to reflect the authorisations given in relation to the Growth Shares and the Employee Option Pool.

## **AGREEMENT**

Please read the notes at the end of this document before signifying your agreement to the Resolution.

The undersigned, being persons entitled to vote on the Resolution on the Circulation Date, hereby irrevocably agree to the Resolution:

Signed by .....  .....

*Print Name* *Signature*

Date: .....

## NOTES

1. If you agree with the Resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company either by e-mail to [charles@candymechanics.com](mailto:charles@candymechanics.com) or by hand or by post to Candy Mechanics Limited registered office.
2. You may not return the Resolution to the Company by any other method. If you return via email, please send also a printed copy to the address above by post.
3. If you do not agree to the Resolution, you do not need to do anything; you will not be deemed to agree if you fail to reply.
4. Once you have indicated your agreement to the Resolution, you may not revoke your agreement.
5. Unless, within 28 days of the Circulation Date, sufficient agreement has been received for the Resolution to pass, it will lapse. If you agree to the Resolution, please ensure that your agreement reaches us before or during this date.
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7. If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

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The undersigned, being persons entitled to vote on the Resolution on the Circulation Date, hereby irrevocably agree to the Resolution:

|                 |                   |  |
|-----------------|-------------------|--|
| Signed by ..... | Thomas Hoppe      | <div style="border: 1px solid black; padding: 2px; display: inline-block;">DocuSigned by:<br/><i>Thomas Hoppe</i><br/>BE4E7DF3DF6E4E8.....</div> |
|                 | <i>Print Name</i> | <i>Signature</i>   |

Date: 11/1/2019 .....

## NOTES

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Please read the notes at the end of this document before signifying your agreement to the Resolution.

The undersigned, being persons entitled to vote on the Resolution on the Circulation Date, hereby irrevocably agree to the Resolution:

Signed by Seeds Limited Ltd ..... [Signature] .....  
Print Name Signature

Date: 3 November 2019 .....

## NOTES

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The undersigned, being persons entitled to vote on the Resolution on the Circulation Date, hereby irrevocably agree to the Resolution:

Signed by Charles William Leigh

*Print Name*



*Signature*

Date:

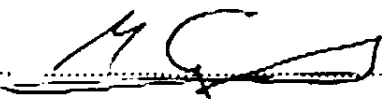
1.11.19

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Please read the notes at the end of this document before signifying your agreement to the Resolution.

The undersigned, being persons entitled to vote on the Resolution on the Circulation Date, hereby irrevocably agree to the Resolution:

Signed by THOMAS GUMMERY  ..  
Print Name Signature

Date: 30.10.2019 ..

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Please read the notes at the end of this document before signifying your agreement to the Resolution.

The undersigned, being persons entitled to vote on the Resolution on the Circulation Date, hereby irrevocably agree to the Resolution:

Signed by ..... PATRICK FERDE ..... P. Ferde .....  
Print Name Signature

Date: ..... DIRECTOR, BLACK CEDAR LTD .....  
..... 8<sup>TH</sup> NOVEMBER 2019 .....

#### NOTES

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Please read the notes at the end of this document before signifying your agreement to the Resolution.

The undersigned, being persons entitled to vote on the Resolution on the Circulation Date, hereby irrevocably agree to the Resolution:

Signed by .....Christophe Burrick.....

*Print Name*



*Signature*

Date:

1 November 2019.....

## NOTES

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The undersigned, being persons entitled to vote on the Resolution on the Circulation Date, hereby irrevocably agree to the Resolution:

Signed by .....  
*Print Name* *Signature*

Date: .....

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The undersigned, being persons entitled to vote on the Resolution on the Circulation Date, hereby irrevocably agree to the Resolution:

Signed by MARK WHITE [Signature]  
Print Name Signature

Date:

30/10/2019

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The undersigned, being persons entitled to vote on the Resolution on the Circulation Date, hereby irrevocably agree to the Resolution:

Signed by Christopher Tait



*Print Name*

*Signature*

Date:

31/10/19

## NOTES

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The undersigned, being persons entitled to vote on the Resolution on the Circulation Date, hereby irrevocably agree to the Resolution:

Signed by ..... Matthew Bowcock .....  
Print Name

.....  
Signature

Date:

30 October 2019 .....

## NOTES

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The undersigned, being persons entitled to vote on the Resolution on the Circulation Date, hereby irrevocably agree to the Resolution.

Signed by C.E.S. GREEN [Signature]  
Print Name Signature

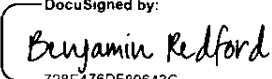
Date 4.21.2019

#### NOTES

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The undersigned, being persons entitled to vote on the Resolution on the Circulation Date, hereby irrevocably agree to the Resolution:

|                   |   |
|-------------------|---|
| Benjamin Redford  | <small>DocuSigned by:</small><br><br><small>728E476DF89643C</small> |
| Signed by .....   | .....   |
| <i>Print Name</i> | <i>Signature</i>  |

Date: 11/4/2019 .....

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**Articles of Association**  
**Of**  
**CANDY MECHANICS LTD**

Adopted by Special Resolution passed on \_\_\_\_\_ 2018

**PART 1**

**INTERPRETATION AND LIMITATION OF LIABILITY**

**1. Defined terms**

**1.1** In these articles, unless the context requires otherwise:

**Aggregate Hurdle** means the sum of each Hurdle applying to each Growth Share in issue (excluding any Growth Share that is a Non-participating Growth Share);

**appointor** has the meaning given to that term in Article 17.1;

**articles** means the company's articles of association for the time being in force;

**Articles** means the articles of association set out in this document which, together with the Model Articles (as modified or excluded by this document) forming part of the articles, and Article shall be construed accordingly;

**Buyer** has the meaning given to that term in Article 42.1;

**call** has the meaning given to that term in Article 26.1;

**call notice** has the meaning given to that term in Article 26.1;

**call payment date** has the meaning given to that term in Article 29.1(a);

**company's lien** has the meaning given to that term in Article 24;

**Clear Days** means (in relation to the period of a notice) that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

**Conflict** has the meaning given to that term in Article 11.3;

**conflicted director** means a director who has, or could have, a Conflict in a situation involving the company and consequently whose vote is not to be counted in any vote to authorise such Conflict and who is not to be counted as participating in the quorum for the meeting (or part of the meeting) at which such matter is to be voted upon;

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

**corporate representative** has the meaning given to that term in Article 58;

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

**Equity Shares** means the shares other than the Deferred Shares;



**Excess Sale Shares** shall have the meaning set out in Article 40.3(d);

**Excess Securities** has the meaning given to that term in Article 23.2(b);

**Family Trust** means in relation to a member or former member, a trust or settlement set up wholly for the benefit of the member or former member and/or all or any of that member's or former member's Relations (but so that the inclusion of a charity as an ultimate default beneficiary shall not prevent a trust or settlement from being a Family Trust);

**Growth Shares** means the shares of £0.001 each in the capital of the company and with no voting rights nor rights to dividends.

**Growth Share Percentage** means the number of Growth Shares (excluding any Non-participating Growth Shares) divided by the total number of Equity Shares (excluding any Non-participating Growth Shares) in the company.

**holder** in relation to shares means the person whose name is entered in the register of members as the holder of the shares or, in the case of a share in respect of which a share warrant has been issued (and not cancelled), the person in possession of that warrant;

**Hurdle** means, in relation to any Growth Shares, £0.00 (zero pounds) or such greater amount as is specified in the relevant Letter of Subscription as being the Hurdle applicable to those Growth Shares;

**Letter of Subscription** means a letter of subscription (including, for the avoidance of doubt, in any electronic form) for any Growth Shares, executed and delivered to the company from time to time by a subscriber for Growth Shares, setting out the Hurdle for the Growth Shares that are being subscribed for.

**lien enforcement notice** has the meaning given to that term in Article 25;

**Incapacitated Member** has the meaning given to that term in Article 41.3;

**Majority Members** has the meaning given to that term in Article 41.1;

**Minimum Transfer Condition** shall have the meaning set out in Article 40.2(d);

**Minority Members** has the meaning given to that term in Article 41.1;

**Model Articles** means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2009/3229) as amended prior to the date of adoption of these articles;

**non-conflicted director** means any director who is not a conflicted director;

**Non-participating Growth Shares** means, on a distribution of Surplus Assets as defined in Article 48A (including pursuant to any application of the provisions of Article 48A in the circumstances set out in Article 48B), all Growth Shares with a Hurdle that is greater than the amount derived from the following formula:

Surplus Assets / number of Equity Shares in issue

[save that a Growth Share will not be a Non-participating Growth Share if the Hurdle applying to that Growth Share would be less than the amount derived from the formula above if the definition of "Equity Shares" in the above formula excluded every Growth Share with a Hurdle which is greater than that applying to the Growth Share in question];

**Offer** has the meaning given to that term in Article 42.1(a);

**Offer Notice** has the meaning given to that term in Article 42.1(b);

**Offer Period** has the meaning given to that term in Article 42.1(b);

**Offer Shares** has the meaning given to that term in Article 42.1(b);

**ordinary shares** mean the ordinary shares of £ 0.001 each in the company (not being a Deferred Share or Growth Share;

**Participant** has the meaning given to it in the Vestd Company Terms and Participant Terms;

**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 in accordance with Article 39;

**Permitted Transferee** means a person to whom a Permitted Transfer of shares may be made;

**Prescribed Price** means the price per Sale Share specified in the Transfer Notice;

**Prescribed Terms** has the meaning given to that term in Article 41.4;

**Price per Share** has the meaning given to that term in Article 41.4;

**Proceeds of Sale** means the consideration payable (including deferred and/or contingent consideration) whether in cash or otherwise to those shareholders under a Share Sale;

**Proportional Entitlement** shall have the meaning set out in Article 40.3(c);

**Proposed Purchaser** has the meaning given to that term in Article 41.1;

**Proposed Transfer** has the meaning given to that term in Article 42.1;

**Proposing Transferor** means a member who proposes to transfer any shares;

**proxy notice** has the meaning given to that term in Article 56.2;

**proxy notification address** has the meaning given to that term in Article 57.1;

**Purchaser** means a member willing to purchase Sale Shares comprised in a Transfer Notice;

**Purchase Price** has the meaning given to that term in Article 41.4;

**Relation** means in relation to a particular person:

- (a) that person's husband, wife, civil partner, mother, father, brother, sister; and
- (b) a child (including step and/or adopted child) or other lineal descendant of that person or any person listed in (a);

**relevant officer** has the meaning given to that term in Articles 62.3(b) or 63.2(a), as the case may be;

**relevant loss** has the meaning given to that term in Article 63.2(b);

**relevant rate** has the meaning given to that term in Article 29.2(b);

**Sale Notice** has the meaning given to that term in Article 40.9;

**Sale Shares** has the meaning given to that term in Article 40.1;

**Selling Shareholders** has the meaning given to that term in Article 42.1;

**Seedrs Nominees Limited** means a limited company incorporated in England and Wales under No. 08756825 whose registered office is at Churchill House, 142-146 Old Street, London, EC1V 9BW, United Kingdom;

**shares** means the ordinary shares, the Growth Shares and the Deferred Shares (if any) and any other shares in the company from time to time;

**Share Sale** means the sale (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 becoming the beneficial owner of all Equity Shares then in issue, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same or materially the same as the shareholders and the shareholdings in the company immediately prior to the sale;

**Specified Price** has the meaning given to that term in Article 42.1(a);

**Task** are the conditions attached to the award of any Growth Shares as set out in the Task Agreement;

**Task Agreement** is the agreement between the company and the Participant to offer and accept the Task and the associated conditional Growth Shares.

**transfer** or **transferring** has the meaning given to those terms respectively in Article 37.1;

**Transfer Notice** means a written notice served by a member on the Company in accordance with Article 40; and

**United Kingdom** means Great Britain and Northern Ireland.

**Vest Company Terms and Participant Terms** means the Company Terms and Participant Terms which govern the Vestd platform (as operated by Vestd Limited (or is Permitted Transferees)) as amended from time to time;

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Companies Act 2006 as in force on the date when these Articles become binding on the company shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time and shall include any orders, regulations or subordinate legislation from time to time made under it and any amendment or re-enactment of it or any such orders, regulations or subordinate legislation for the time being in force.
- 1.5 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.6 The Model Articles shall apply to the company, except in so far as they are modified or excluded by these Articles.
- 1.7 Articles 7, 8, 11(2) and (3), 13(2), 14(1) to (4) inclusive, 17(2), 19(5), 21, 26(5), 44(4), 45(1), 46(3), 52 and 53 of the Model Articles shall not apply to the company.

## **PART 2**

### **DIRECTORS**

#### **DIRECTORS' POWERS AND RESPONSIBILITIES**

**2. Directors' general authority**

Article 3 of the Model Articles shall be amended by the insertion of the words "and to the applicable provisions for the time being of the Companies Acts", after the phrase "subject to the articles".

**3. Change of Company name**

Without prejudice to the generality of Article 2, the directors may resolve in accordance with Article 5 to change the Company's name.

**4. Committees**

Where a provision of the articles refers to the exercise of a power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a committee, the provision shall be construed as permitting the exercise of power, authority or discretion by the committee.

#### **DECISION-MAKING BY DIRECTORS**

**5. Directors to take decisions collectively**

**5.1** The general rule about decision-making by directors is that any decision of the directors must be taken as a majority decision at a meeting or as a directors' written resolution in accordance with Article 6 (Directors' written resolutions) or otherwise as a unanimous decision taken in accordance with Article 7 (Unanimous decisions).

**5.2** If:

(a) the company only has one director for the time being, and

(b) no provision of the articles requires it to have more than one director,

the general rule does not apply, and the director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

**5.3** Subject to the articles, each director participating in a directors' meeting has one vote.

**6. Directors' written resolutions**

**6.1** Any director may propose a directors' written resolution by giving notice in writing of the proposed resolution to each of the other directors (including alternate directors).

**6.2** If the company has appointed a company secretary, the company secretary must propose a directors' written resolution if a director so requests by giving notice in writing to each of the other directors (including alternate directors).

**6.3** Notice of a proposed directors' written resolution must indicate:

(a) the proposed resolution; and

(b) the time by which it is proposed that the directors should adopt it.

- 6.4 A proposed directors' written resolution is adopted when a majority of the non-conflicted directors (or their alternates) have signed one or more copies of it, provided that those directors (or their alternates) would have formed a quorum at a directors' meeting were the resolution to have been proposed at such meeting.
- 6.5 Once a directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a directors' meeting in accordance with the articles.
- 7. Unanimous decisions**
- 7.1 A decision of the directors is taken in accordance with this Article 7 when all non-conflicted directors indicate to each other by any means that they share a common view on a matter.
- 7.2 A decision may not be taken in accordance with this Article 7.2 if the non-conflicted directors would not have formed a quorum at a directors' meeting had the matter been proposed as a resolution at such a meeting.
- 7.3 Once a directors' unanimous decision is taken in accordance with this Article 7 it must be treated as if it had been a decision taken at a directors' meeting in accordance with the Articles.
- 8. Calling a directors' meeting**
- 8.1 Article 9 of the Model Articles shall be amended by:
- (a) inserting the words "each of" before the words "the directors"; by inserting the phrase "(including alternate directors) ,whether or not he is absent from the UK," after the words "the directors";
  - (b) by inserting the words "subject to article 9.4" at the beginning of article 9(3) of the Model Articles; and
  - (c) by inserting the words "prior to or up to and including" before the words "not more than seven days" in article 9(4) of the Model Articles.
- 9. Chairman's casting vote at directors' meetings**
- 9.1 Article 13(1) of the Model Articles shall be amended by the insertion of the words "at a meeting of directors" after the word "proposal".
- 9.2 Article 13(1) of the Model Articles (as amended by Article 8.1) does not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the articles, the chairman or other director chairing the meeting is a conflicted director for the purposes of that meeting (or that part of that meeting at which the proposal is voted upon).
- 10. Quorum for directors' meetings**
- 10.1 Subject to Article 10.2, the quorum for the transaction of business at a meeting of directors may be fixed from time to time by a decision of the directors but it must never be less than two directors, and unless otherwise fixed it is two. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum. If and so long as there is a sole director, he may exercise all the powers and authorities vested in the directors by these articles and accordingly the quorum for the transaction of business in these circumstances shall be one.
- 10.2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 11 (Directors' conflicts of interests) to authorise a director's Conflict, if there is only one non-conflicted director in office in addition to the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one non-conflicted director.

## 11. Directors' conflicts of interests

- 11.1 For the purposes of this Article 11, a **conflict of interest** includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.
- 11.2 The directors may, in accordance with the requirements set out in this Article 11, authorise any matter proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of the Companies Act 2006 to avoid conflicts of interest (such matter being hereinafter referred to as a **Conflict**).
- 11.3 A director seeking authorisation in respect of a Conflict shall declare to the other directors the nature and extent of his interest in a Conflict as soon as is reasonably practicable. The director shall provide the other directors with such details of the relevant matter as are necessary for the other directors to decide how to address the Conflict, together with such other information as may be requested by the other directors.
- 11.4 Any authorisation under this Article 11 will be effective only if:
- (a) the matter in question shall have been proposed by any director for consideration at a meeting of directors in the same way that any other matter may be proposed to the directors under the provisions of these articles or in such other manner as the directors may determine;
  - (b) any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question and any other conflicted director(s); and
  - (c) the matter was agreed to without the director and any other conflicted director(s) voting or would have been agreed to if their votes had not been counted.
- 11.5 Any authorisation of a Conflict under this Article 11 may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the Conflict so authorised;
  - (b) be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine; or
  - (c) be terminated or varied by the directors at any time.
- This will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation.
- 11.6 In authorising a Conflict the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the company and in respect of which he owes a duty of confidentiality to another person the director is under no obligation to:
- (a) disclose such information to the directors or to any director or other officer or employee of the company; or
  - (b) use or apply any such information in performing his duties as a director, where to do so would amount to a breach of that confidence.
- 11.7 Where the directors authorise a Conflict they may provide, without limitation (whether at the time of giving the authorisation or subsequently) that the director:

- (a) is excluded from discussions (whether at meetings of directors or otherwise) related to the Conflict;
- (b) is not given any documents or other information relating to the Conflict;
- (c) may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to the Conflict.

11.8 Where the directors authorise a Conflict:

- (a) the director will be obliged to conduct himself in accordance with any terms, limits and/or conditions imposed by the directors in relation to the Conflict;
- (b) the director will not infringe any duty he owes to the company by virtue of sections 171 to 177 of the Companies Act 2006 provided he acts in accordance with such terms, limits and/or conditions (if any) as the directors impose in respect of its authorisation.

11.9 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he receives as director or other officer or employee of the Company's subsidiaries or of any other body corporate in which the Company is interested or which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Companies Act 2006.

11.10 Subject to the applicable provisions for the time being of the Companies Acts and to any terms, limits and/or conditions imposed by the directors in accordance with Article 11.6(b), and provided that he has disclosed to the directors the nature and extent of any interest of his in accordance with the Companies Acts, a director notwithstanding his office:

- (a) may be a party to, or otherwise interested in, any contract, transaction or arrangement with the company or in which the company is otherwise interested;
- (b) shall be counted as participating for voting and quorum purposes in any decision in connection with any proposed or existing transaction or arrangement with the company, in which he is in any way directly or indirectly interested;
- (c) may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- (d) may be a director or other officer of, or employed by, or a party to any contract, transaction or arrangement with, or otherwise interested in, any body corporate promoted by the company or in which the company is otherwise interested; and
- (e) shall not, by reason of his office, be accountable to the company for any benefit which he (or anyone connected with him (as defined in section 252 of the Companies Act 2006)) derives from any such office or employment or from any such contract, transaction or arrangement or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit, nor shall the receipt of any such remuneration or benefit constitute a breach of his duty under section 176 of the Companies Act 2006.

12. **Records of decisions to be kept**

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.

**APPOINTMENT OF DIRECTORS**

13. **Number of directors**

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than one.

14. **Methods of appointing directors**

14.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:

- (a) by ordinary resolution, or
- (b) by a decision of the directors.

14.2 In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) shall have the right, by notice in writing, to appoint a person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

14.3 For the purposes of Article 14.2, where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

15. **Termination of director's appointment**

Article 18(c) of the Model Articles shall be amended by the addition of the words "and the Company resolves that his office be vacated" at the end of the sub-Article.

16. **Directors' expenses**

Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary (if any)" before the words "properly incur".

**ALTERNATE DIRECTORS**

17. **Appointment and removal of alternate directors**

17.1 Any director (**appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:

- (a) exercise that director's powers; and
- (b) carry out that director's responsibilities,
- (c) in relation to the taking of decisions by the directors in the absence of the alternate's appointor.

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

17.3 The notice must:



- (a) identify the proposed alternate; and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

**18. Rights and responsibilities of alternate directors**

18.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor.

18.2 Except as the articles specify otherwise, alternate directors:

- (a) are deemed for all purposes to be directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their appointors (including those set out in sections 172 to 177 CA 2006 inclusive and Article 11); and
- (d) are not deemed to be agents of or for their appointors,

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a shareholder.

18.3 A person who is an alternate director but not a director:

- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating and provided that no alternate may be counted as more than one director for these purposes);
- (b) may participate in a unanimous decision of the directors (but only if his appointor does not participate); and
- (c) may sign a written resolution (but only if it is not signed or to be signed by that person's appointor).

18.4 A director who is also an alternate director is entitled, in the absence of any of his appointors, to a separate vote on behalf of that appointor, in addition to his own vote on any decision of the directors but he shall count as only one for the purpose of determining whether a quorum is present.

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

**19. Termination of alternate directorship**

19.1 An alternate director's appointment as an alternate for any appointor terminates:

- (a) when that appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;
- (b) when notification is received by the Company from the alternate that the alternate is resigning as alternate for that appointor and such resignation has taken effect in accordance with its terms;
- (c) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to that appointor, would result in the termination of that appointor's appointment as a director;

- (d) on the death of that appointor; or
- (e) when the alternate's appointor's appointment as a director terminates.

## **SECRETARY**

### **20. Appointment and removal of secretary**

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration, and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

## **PART 3**

## **SHARES AND DISTRIBUTIONS**

### **SHARES**

### **21. Further issues of ordinary shares: authority**

- 21.1 Subject to Article 21.2 and save to the extent authorised by these articles, or authorised from time to time by an ordinary resolution of the shareholders, the directors shall not exercise any power to allot ordinary shares or to grant rights to subscribe for, or to convert any security into, any ordinary shares in the company.
- 21.2 Subject to the remaining provisions of this Article 21 and to Article 22 (Further issues of ordinary shares: pre-emption rights) and to any directions which may be given by the company in general meeting, the directors are generally and unconditionally authorised, for the purpose of section 551 of the Companies Act 2006 to exercise any power of the company to:
  - (a) offer or allot;
  - (b) grant rights to subscribe for or to convert any security into;
  - (c) otherwise create, deal in, or dispose of,  
  
any ordinary shares in the company to any person, at any time and subject to any terms and conditions as the directors think proper.
- 21.3 The authority referred to in Article 21.2:
  - (a) shall be limited to a maximum nominal value of £1,000;
  - (b) shall only apply insofar as the company has not renewed, waived or revoked it by ordinary resolution; and
  - (c) may only be exercised for a period of five years commencing on the date on which the company is incorporated or these articles are adopted whichever is the later, save that the directors may make an offer or agreement which would, or might, require ordinary shares to be allotted after the expiry of such authority (and the directors may allot ordinary shares in pursuance of an offer or agreement as if such authority had not expired).

### **22. Further issues of ordinary shares: pre-emption rights**

- 22.1 In accordance with section 567(1) of the Companies Act 2006 and subject to Article 22A, sections 561 and of the Companies Act 2006 shall not apply to an allotment of equity securities (as defined in section 560(1) of the Companies Act 2006) made by the company.

22.2 Subject to Article 22A, unless otherwise agreed by special resolution, if the company proposes to allot any equity securities, those equity securities shall not be allotted to any person unless the company has first offered them to all shareholders on the date of the offer on the same terms, and at the same price, as those equity securities are being offered to such other person on a pari passu basis and pro rata to the nominal value of shares held by those shareholders (as nearly as possible without involving fractions).

22.3 The offer:

- (a) shall be in writing, shall be open for acceptance for a period of fifteen working days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities; and
- (b) may stipulate that any shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess equity securities (**Excess Securities**) for which he wishes to subscribe.

22.4 Any equity securities not accepted by shareholders pursuant to the offer made to them in accordance with Articles 22.1 and 22.2 shall be used for satisfying any requests for Excess Securities made pursuant to Article 22.3(b). If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants as nearly as practicable in the proportion that the number of Excess Securities each shareholder indicated he would accept bears to the total number of Excess Securities applied for (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any shareholder beyond that applied for by him). After that allotment, any Excess Securities remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the shareholders.

## 22A. **Further issue of Growth Shares and Deferred Shares**

22A.1 Notwithstanding Articles 21 and 22:

- (a) the directors may exercise any power to allot Growth Shares and/or Deferred Shares or to grant rights to subscribe for, or to convert any security into, any Growth Shares and/or Deferred Shares; and
- (b) in accordance with section 567(1) of the Companies Act 2006, sections 561 and of the Companies Act 2006 shall not apply to an allotment of Growth Shares and/or Deferred Shares or the grant of any rights to subscribe for, or to convert any security into, any Growth Shares and/or Deferred Shares.

## 23. **Variation of class rights**

23.1 Whenever the capital of the company is divided into different classes of shares, the special rights attached to any class may only be varied or abrogated, either whilst the company is a going concern or during or in contemplation of a winding up, with the consent of the holders of the issued shares of that class given in accordance with Article 23.2.

23.2 The consent of the holders of a class of shares may be given by:

- (a) a special resolution passed at a separate general meeting of the holders of the issued shares of that class; or
- (b) a written resolution in any form signed by or on behalf of the holders of three-quarters in nominal value of the issued shares of that class,

but not otherwise. To every such meeting, all the provisions of these articles and the Companies Act 2006 relating to general meetings of the company shall apply (with such amendments as may be necessary to give such provisions efficacy) but so that the necessary quorum shall be two holders of shares of the relevant class present in person or by proxy and holding or representing not less than one third in nominal value of the issued shares of the relevant class; that every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him; and that any holder of shares of the class, present in person or by proxy or (being a corporation) by a duly authorised representative, may demand a poll. If at any adjourned meeting of such holders such a quorum as aforesaid is not present, not less than one holder who is present in person or by proxy or (being a corporation) by a duly authorised representative shall be a quorum.

**24. Company's lien over shares**

The company has a lien (**company's lien**) over every share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the company, whether he is the sole registered holder of the share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the company, whether payable immediately or at some time in the future and whether or not a call notice has been sent in respect of it.

**24.1 The company's lien over a share:**

- (a) takes priority over any third party's interest in that share, and
- (b) extends to any dividend or other 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.

**24.2 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.**

**25. Enforcement of the company's lien**

**25.1 Subject to the provisions of this Article 25, if:**

- (a) a lien enforcement notice has been given in respect of a share, and
- (b) the person to whom the notice was given has failed to comply with it,

the company may sell that share in accordance with Article 33.5.

**25.2 A lien enforcement notice:**

- (a) may only be given in respect of a share which is subject to the company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
- (b) must specify the share concerned;
- (c) must be in writing and require payment of the sum payable within fourteen days of the notice;
- (d) must be addressed either to the holder of the share or to a transmittee of that holder; and
- (e) must state the company's intention to sell the share if the notice is not complied with.

**25.3 Where shares are sold under this Article 25:**

- (a) the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and

- (b) the transferee 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.
- 25.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
  - (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice,
  - (b) second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the company's lien for any money payable (whether payable immediately or at some time in the future) as existed over the shares before the sale in respect of all shares registered in the name of such person (whether as the sole registered holder or as one of several joint holders) after the date of the lien enforcement notice.
- 25.5 A statutory declaration by a director or the company secretary (if any) that the declarant is a director or the company secretary (as the case may be) and that a share has been sold to satisfy the company's lien on a specified date:
  - (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
  - (b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.
- 26. **Call notices**
- 26.1 Subject to the articles and the terms on which shares are allotted, the directors may send a notice (**call notice**) to a shareholder requiring the shareholder to pay the company a specified sum of money (**call**) which is payable by that member to the Company at the date when the directors decide to send the call notice.
- 26.2 A call notice:
  - (a) must be in writing;
  - (b) may not require a shareholder to pay a call which exceeds the total amount of his indebtedness or liability to the company;
  - (c) must state when and how any call to which it relates it is to be paid; and
  - (d) may permit or require the call to be paid by instalments.
- 26.3 A shareholder must comply with the requirements of a call notice, but no shareholder is obliged to pay any call before fourteen days have passed since the notice was sent.
- 26.4 Before the company has received any call due under a call notice the directors may:
  - (a) revoke it wholly or in part, or
  - (b) 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.

27. **Liability to pay calls**

- 27.1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.
- 27.2 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share.
- 27.3 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:
- (a) to pay calls which are not the same, or
  - (b) to pay calls at different times.

28. **When call notice need not be issued**

- 28.1 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the company in respect of that share:
- (a) on allotment;
  - (b) on the occurrence of a particular event; or
  - (c) on a date fixed by or in accordance with the terms of issue.
- 28.2 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.

29. **Failure to comply with call notice: automatic consequences**

- 29.1 If a person is liable to pay a call and fails to do so by the call payment date:
- (a) the directors may issue a notice of intended forfeiture to that person, and
  - (b) until the call is paid, that person must pay the company interest on the call from the call payment date at the relevant rate.
- 29.2 For the purposes of Article 29.1:
- (a) the **call payment date** is the time when the call notice states that a call is payable, unless the directors give a notice in writing specifying a later date, in which case the **call payment date** is that later date;
  - (b) the relevant rate is:
    - (i) the rate fixed by the terms on which the share in respect of which the call is due was allotted;
    - (ii) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors; or
    - (iii) if no rate is fixed in either of these ways, five per cent. (5%) per annum.
- 29.3 The relevant rate must not exceed by more than five 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.
- 29.4 The directors may waive any obligation to pay interest on a call wholly or in part.

**30. Notice of intended forfeiture**

**30.1 A notice of intended forfeiture:**

- (a) must be in writing;
- (b) may be sent in respect of any share in respect of which a call has not been paid as required by a call notice;
- (c) must be sent to the holder of that share (or, in the case of joint holders of a share in accordance with Article 60.3) or to a transmittee of that holder in accordance with Article 60.4;
- (d) must require payment of the call and any accrued interest and all expenses that may have been incurred by the company by reason of such non-payment by a date which is not less than fourteen days after the date of the notice;
- (e) must state how the payment is to be made; and
- (f) 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.

**31. 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.

**32. Effect of forfeiture**

**32.1 Subject to the articles, the forfeiture of a share extinguishes:**

- (a) all interests in that share, and all claims and demands against the company in respect of it, and
- (b) all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the company.

**32.2 Any share which is forfeited in accordance with the articles:**

- (a) is deemed to have been forfeited when the directors decide that it is forfeited;
- (b) is deemed to be the property of the company; and
- (c) may be sold, re-allotted or otherwise disposed of as the directors think fit in accordance with Article 33.5.

**32.3 If a person's shares have been forfeited:**

- (a) the company must send that person written notice that forfeiture has occurred and record it in the register of members;
- (b) that person ceases to be a shareholder in respect of those shares;
- (c) that person must surrender the certificate for the shares forfeited to the company for cancellation;

- (d) that person remains liable to the company for all sums payable by that person under 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
  - (e) the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
- 32.4 At any time before the company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit.
- 33. Procedure following forfeiture**
- 33.1 If a forfeited share is to be disposed of by being transferred, the company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer.
- 33.2 A statutory declaration by a director or the company secretary (if any) that the declarant is a director or the company secretary (as the case may be) and that a share has been forfeited on a specified date:
- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
  - (b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.
- 33.3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share.
- 33.4 If the company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the company the proceeds of such sale, net of any commission, and excluding any amount which:
- (a) was, or would have become, payable, and
  - (b) had not, when that share was forfeited, been paid by that person in respect of that share,
- but no interest is payable to such a person in respect of such proceeds and the company is not required to account for any money earned on them.
- 33.5 All shares to be sold in the enforcement of the company's lien or rights of forfeiture shall be offered in accordance with Article 40 (Transfers of Shares subject to pre-emption rights).
- 34. Surrender of shares**
- 34.1 A shareholder may surrender any share:
- (a) in respect of which the directors may issue a notice of intended forfeiture;
  - (b) which the directors may forfeit; or
  - (c) which has been forfeited.
- 34.2 The directors may accept the surrender of any such share.
- 34.3 The effect of surrender on a share is the same as the effect of forfeiture on that share.



34.4 A share which has been surrendered may be dealt with in the same way as a share which has been forfeited.

35. **Payment of commission on subscription for shares**

35.1 The company may pay any person a commission in consideration for that person:

- (a) subscribing, or agreeing to subscribe, for shares; or
- (b) procuring, or agreeing to procure, subscriptions for shares.

35.2 Any such commission may be paid:

- (a) in cash, or in fully paid or partly paid shares or other securities or partly in one way and partly in the other; and
- (b) in respect of a conditional or an absolute subscription.

36. **Share certificates**

36.1 Article 24(2)(c) of the Model Articles shall be amended by:

- (a) the deletion of the word "fully" and the insertion of the words "extent to which" before the word "shares"; and
- (b) the word "up" at the end of this Article 24(2)(c).

**TRANSFER AND TRANSMISSION OF SHARES**

37. **Transfer of shares - general**

37.1 In these articles, a reference to the **transfer** of or **transferring** shares shall include any transfer, assignment, disposition or proposed or purported transfer, assignment or disposition:

- (a) of any share or shares of the company; or
- (b) of any interest of any kind in any share or shares of the company; or
- (c) of any right to receive or subscribe for any share or shares of the company.

37.2 The directors may, in their absolute discretion, decline to register the transfer of a share whether or not it be a fully paid share, other than a transfer permitted under Article 39 or made in accordance with Article 40.

37.3 If the directors refuse to register a transfer of a share they shall, as soon as practicable and in any event within two months after the date on which the transfer was lodged with the company, send to the transferee notice of, and the reasons for, the refusal.

37.4 An obligation to transfer a share under these articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such share free from any lien, charge or other encumbrance.

37.5 Article 26(1) of the Model Articles shall be amended by the insertion of the words "and (if any of the shares is partly paid) the transferee" at the end of that article.

38. **Prohibited Transfers**

Notwithstanding any other provision of these articles, no transfer of any share shall be registered if it is to any minor, undischarged bankrupt, trustee in bankruptcy or person of unsound mind.

**39. Permitted transfers**

**39.1** Notwithstanding the provisions of Article 40:

- (a) any member may at any time transfer shares to a Relation over the age of 18 or to the trustees of a Family Trust;
- (b) any member who is a trustee of a Family Trust may at any time transfer shares to:
  - (i) the new or remaining trustees of the Family Trust upon any change of trustees; and
  - (ii) any person (being a Relation of a member or of a former member who has previously transferred some or all of his shares in accordance with Article 39.1(a)) on his becoming entitled to such shares under the terms of the Family Trust;
- (c) any member may at any time transfer shares to an employee of the Company or any of its subsidiaries or any person providing services to the Company or any of its subsidiaries, if such transfer has been approved by the directors;
- (d) any corporate member may at any time transfer its shares to its holding company, any subsidiary or any subsidiary of its holding company;
- (e) any member may at any time transfer any shares to the Company subject to the provisions of the Companies Acts.
- (f) in relation to any shares held by Seedrs Nominees Limited, the following transfers shall be considered Permitted Transfers:
  - (i) any transfer of such shares to any person who is the beneficial owner of such shares;
  - (ii) any transfer of such shares to any person who is to hold the shares as nominee for the beneficial owner in substitution for the then registered shareholder; and
  - (iii) any transfer of the beneficial ownership of such share, where the identity of registered legal shareholder remains the same before and immediately after such transfer of beneficial ownership.

**39.2** Whilst any shares are being transferred in accordance with Articles 40 or 41 no transfers of shares pursuant to Article 39.1 shall be permitted.

**40. Transfers of Shares subject to pre-emption rights**

**Transfer Notice**

**40.1** Save in respect of a Permitted Transfer, a Proposing Transferor shall first give a Transfer Notice to the directors about the shares the Proposed Transferor intends to sell (**Sale Shares**). The Transfer Notice shall constitute the Company his agent for the sale of the Sale Shares at the Prescribed Price. Except as provided in this Article or with the consent of the directors, a Transfer Notice once given or deemed to be given shall not be revocable.

**Contents of Transfer Notice**

**40.2** A Transfer Notice:

- (a) shall specify the number of Sale Shares;
- (b) shall specify the Prescribed Price per Sale Share;
- (c) shall, if the Proposing Transferor has received any offer to purchase, or has otherwise negotiated the sale of the Sale Shares (whether or not such terms are legally binding or

conditional), within the period of three months prior to service of the Transfer Notice, give the name of the prospective Purchaser, the number of Sale Shares concerned and the price per Sale Share;

- (d) may state that unless Purchasers are found for all or not less than a specified number of the Sale Shares, he shall not be bound to transfer any of such shares (**Minimum Transfer Condition**).

#### **Offer of Sale Shares to members**

40.3 The Sale Shares shall, within 14 days following receipt of the Transfer Notice, be offered by the Company for purchase at the Prescribed Price in the following manner:

- (a) all offers shall be made by notice in writing;
- (b) all offers shall limit a time (being not less than 10 and not more than 30 days) within which the offer must be accepted in writing or, in default, will be deemed to have been declined;
- (c) the Sale Shares shall be offered to the holders of ordinary shares (other than the Proposing Transferor) in proportion (as nearly as may be) to the aggregate nominal value of their then respective holdings of ordinary shares (**Proportional Entitlement**); and
- (d) each member to whom the offer is made (if more than one) shall be invited to indicate whether, if he accepts the number of Sale Shares offered to him pursuant to this Article 40.3, he wishes to purchase any Sale Shares offered to other members in the same offer which they decline to accept (such Sale Shares being referred to as **Excess Sale Shares**) and if so the maximum number of Excess Sale Shares he wishes to purchase.

#### **Acceptance**

40.4 Any member to whom Sale Shares are offered may accept all or some only of the Sale Shares offered to him. Acceptances must be in writing and received by the Company within the period stipulated for acceptances in Article 40.3(b).

#### **Allocation of Sale Shares**

40.5 If the Transfer Notice contains a Minimum Transfer Condition, the Company may not make any allocation of Sale Shares unless and until it has found Purchasers for the minimum number of shares specified in the Minimum Transfer Condition.

40.6 Subject to Article 40.5, the Company shall allocate the Sale Shares and any Excess Sale Shares between the members who have indicated that they wish to purchase Sale Shares as follows:

- (a) if the total number of Sale Shares applied for is equal to or less than the available number of Sale Shares, each member shall be allocated the number for which he applied; but
- (b) if the total number of Sale Shares applied for is greater than the available number of Sale Shares, each member shall be allocated his Proportional Entitlement or such lesser number of Sale Shares for which he has applied and applications for Excess Sale Shares shall be allocated in accordance with such applications or, in the event of competition, among those members applying for Excess Sale Shares in such proportions as equal (as nearly as may be) the relative proportions of all the shares held by such members.

40.7 If any provision of this Article 40 would result in any member being offered or allocated a fractional number of shares, the directors shall round the offer or allocation up or down to a whole number of shares (which shall, for the avoidance of doubt, include zero), in such manner as they may determine.

- 40.8 Allocations of Sale Shares made by the Company pursuant to Article 40.6 shall constitute the acceptance by the persons to whom they are allocated of the offer to sell those shares, provided that no person shall be obliged to take more than the maximum number of Sale Shares that he has indicated to the Company he is willing to purchase.
- 40.9 The Company shall immediately upon allocating any Sale Shares give notice in writing (a **Sale Notice**) to the Proposing Transferor and to each member to whom Sale Shares have been allocated of the number of Sale Shares so allocated and the aggregate price payable for them.
- 40.10 Completion of the sale and purchase of the Sale Shares in accordance with the Sale Notice shall take place within seven days of the date of the Sale Notice. Upon completion:
- (a) the Proposing Transferor shall deliver to the Company duly executed stock transfer forms transferring the Sale Shares specified in the Sale Notice to the Purchasers to whom they have been allocated, together with the relevant share certificate relating to the Sale Shares;
  - (b) each Purchaser shall make payment to the Company of the relevant price due including any stamp duty payable, to be held by the Company on trust for the Proposing Transferor or for HM Revenue and Customs (as appropriate); and the Company's receipt of the purchase money shall be a good discharge to each Purchaser; and
  - (c) the Company shall as soon as practicable pay the purchase price to the Proposing Transferor and arrange for the transfers to be stamped (if applicable), subject to any due stamping, register the transfer of the Sale Shares and issue a new share certificate in favour of each Purchaser as appropriate.

**40.11 Failure to transfer**

If any person, after having become bound to transfer any Sale Shares under these Articles, shall fail to do so, the directors may authorise any person (who is (as security for the performance of the Proposing Transferor's obligations) hereby irrevocably and unconditionally appointed as agent of the Proposing Transferor for the purpose) to execute on behalf of and as agent for the Proposing Transferor any necessary instruments of transfer and shall register the relevant Purchaser as the holder of the Sale Shares. The Company's receipt of the purchase money shall be a good discharge to the relevant Purchaser, and the Company shall hold the purchase money on trust for the Proposing Transferor. After the name of the relevant Purchaser has been entered in the register of members of the Company, the validity of the proceedings shall not be questioned by any person.

**40.12 Share transfers to third parties**

If not all the Sale Shares are sold under the provisions contained in Articles 40.1 to 40.11, the Company shall promptly notify the Proposing Transferor who may at any time, within 60 days after receiving such notification, and subject always to Articles 37.2 and 38, transfer to any third party (including the Company) any unsold Sale Shares at any price not less than the Prescribed Price, provided that:

- (a) if the Proposing Transferor stipulated in the Transfer Notice a Minimum Transfer Condition which has not been satisfied, the Proposing Transferor shall not be entitled to sell any Sale Shares unless he complies with such Minimum Transfer Condition;
- (b) any such sale shall be a sale in good faith and the directors may require to be satisfied (in such manner as they may reasonably think fit) that the Sale Shares are being sold for not less than the Prescribed Price without any deduction, rebate or allowance whatsoever and if not so satisfied may refuse to register the transfer.

#### 40.13 No sale of shares at Prescribed Price

If any Sale Shares remain unsold in accordance with Article 40.12, the Proposing Transferor may not, with regard to such Sale Shares, issue a further Transfer Notice for a period of 60 days after the expiry of the period referred to in clause 40.12.

#### 41. Drag along

41.1 Subject to Article 48B, if a member or members together holding not less than 50% of the issued ordinary shares conferring the right to vote at a general meeting of the company (**Majority Members**) have agreed to sell all of the shares held by them to a bona fide, third party purchaser (the **Proposed Purchaser**) on arm's length terms, they may send a notice in writing of that fact to the remaining member or members (**Minority Members**) setting out the principal terms of the proposed sale. In such circumstances:

- (a) the provisions of Article 40 (Transfers of Shares subject to pre-emption rights) shall not apply;
- (b) the Majority Members shall be entitled by notice in writing (which may be the same notice as that referred to Article 41.1) to require all the Minority Members to sell all of their shares to the Proposed Purchaser on the Prescribed Terms.

41.2 If any Minority Member defaults in respect of the obligation to transfer shares contained in Article 41.1(b), other than as described in Article 41.3, each Majority Member is (as security for the performance of the Minority Member's obligations) irrevocably authorised as agent for the defaulting Minority Member to complete, execute and deliver to the Proposed Purchaser (or as he may direct) a stock transfer form in respect of the defaulting Minority Member's shares, together with a share certificate or indemnity for lost certificate.

41.3 If any Minority Member;

- (a) lacks capacity to comply with the obligation to transfer shares contained in Article 41.1(b) and no other person has the legal authority to comply as his lawful attorney (which expression shall include a guardian, trustee, curator bonis, conservator or equivalent position or office); or
- (b) is a deceased member and the transmittee has not yet produced to the directors the evidence referred to in Article 27(2) of the Model Articles,

(in either case, for so long as such state of affairs continues, an **Incapacitated Member**) the Majority Members shall be entitled, and any other Minority Members shall be obliged, to complete the sale of their shares to the Proposed Purchaser, provided that the Company shall not register the transfer of any such shares unless and until the Proposed Purchaser has undertaken to the Incapacitated Member to pay to him or his lawful attorney or transmittee (as the case may be), the Purchase Price within 14 days of it coming to the attention of the Proposed Purchaser that the Incapacitated Member has ceased to be an Incapacitated Member. The provisions of Article 41.2 shall mutatis mutandis apply if that formerly Incapacitated Member or his lawful attorney or transmittee (as the case may be) fails to deliver to the Proposing Transferor on or before receipt of the Purchase Price a stock transfer form (made out in favour of the Proposed Purchaser or as he may direct) in respect of all his shares, together with a share certificate or indemnity for lost certificate.

41.4 Subject to Article 48B, for the purposes of this Article 41:

- (a) the **Prescribed Terms** shall mean at the same price per share and on no less favourable terms as the Majority Members are receiving (**Price Per Share**) (save as provided by Article 41.3) and without giving any warranties, indemnities or covenants other than

warranties and covenants as to title to shares or capacity to enter into the sale to the Proposing Purchaser and related documents; and

- (b) the **Purchase Price** shall mean, in relation to each Incapacitated Member, a sum equal to the Price Per Share multiplied by the number of shares registered in such Incapacitated Member's name.

#### 42. **Tag along**

42.1 Subject to Article 48B and except in the case of transfers pursuant to Article 40 or Article 41, if any holders ("**Selling Shareholders**") have agreed to sell their ordinary shares to a Proposed Purchaser or to a person acting in concert with the Proposed Purchaser (**Buyer**), in one or a series of related transactions which would, if carried out, result in the Buyer, acquiring a Controlling Interest in the Company (**Proposed Transfer**), then the following articles shall apply:

- (a) Before completing the Proposed Transfer, the Selling Shareholders shall procure that the Buyer makes an offer (an "**Offer**") to each of the other shareholders to buy all of the shares held by them for a consideration in cash per share that is at least equal to the highest price per share offered or paid by the Buyer in the Proposed Transfer or in any related previous transaction in the six months preceding the date of the Proposed Transfer (the "**Specified Price**");
- (b) The Offer shall be made by written notice (an "**Offer Notice**"), at least 20 business days before the proposed sale date (the "**Offer Period**"). To the extent not described in any accompanying documents, the Offer Notice shall set out:
  - (i) the identity of the Buyer;
  - (ii) the purchase price and other terms and conditions of payment;
  - (iii) the proposed date of the transfer; and
  - (iv) the number of shares proposed to be purchased by the Buyer from each of the Selling Shareholders (the "**Offer Shares**").
- (c) If the Buyer fails to make the Offer to all holders of shares in the Company then, the Selling Shareholders shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer intended to effect the Proposed Transfer. If the Offer is accepted by any shareholder within the Offer Period, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by all such shareholders that accepted the Offer.

#### 43. **Transmission of shares**

43.1 Nothing in these articles releases the estate of a deceased shareholder from any liability in respect of a share solely or jointly held by that shareholder.

43.2 Article 27(3) of the Model Articles shall be amended by the insertion of the words "subject to the provisions of Article 14.2", after the initial word "But".

#### 44. **Transmittees bound by prior notices**

Article 29 of the Model Articles shall be amended by the insertion of the words "or the name of any person nominated under article 27(2)" after the words "transmittee's name".

#### 45. **Procedure for disposing of fractions of shares**

45.1 This Article applies where:

- (a) there has been a consolidation or division of shares; and
- (b) as a result, shareholders are entitled to fractions of shares.

45.2 The directors may:

- (a) sell the shares representing the fractions to any person including the company for the best price reasonably obtainable;
- (b) authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser; and
- (c) distribute the net proceeds of sale in due proportion among the holders of the shares.

45.3 The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.

45.4 The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale.

### **CONVERSION OF DEFERRED SHARES**

#### **45A. Conversion of Growth Shares**

45A.1 If:

- (a) any Growth Shares are issued to a Participant pursuant to a Task Agreement; and
- (b) the Task to which the Task Agreement relates is not completed by the Participant in accordance with the terms of the Task Agreement,

then the directors may, by notice in writing to the holder of the Growth Shares, determine that some or all of such Growth Shares so issued shall be converted into Deferred Shares. Such conversion will be effective on the date of service of such notice to the holder of the Growth Shares.

45A.2 Any Growth Share shall convert into a Deferred Share pursuant to the terms of Article 45A.1 on the basis of one Deferred Share for each Growth Share held without further authority than is contained in these Articles.

45A.3 Upon the conversion of Growth Shares into Deferred Shares pursuant to Article 45A.2, the company shall be entitled to enter the holder of the Deferred Shares on the register of members of the company as the holder of the appropriate number of Deferred Shares as from the date of such conversion taking effect. Upon the date of such conversion, each holder of members of the company as the holder of the appropriate number of Deferred Shares as from Growth Shares which are to be converted into Deferred Shares shall deliver to the company at its registered office the share certificate(s) (to the extent not already in the possession of the company) (or an indemnity for lost certificate in a form acceptable to the directors) for the Growth Shares so converting and upon such delivery there shall be issued to each of them share certificate(s) for the number of Deferred Shares which are to so convert.

#### **45B. Deferred Shares**

45B.1 The allotment or issue of Deferred Shares or the conversion or re-designation of shares into Deferred Shares shall be deemed to confer irrevocable authority on the company at any time after their allotment, issue, conversion or re-designation, without obtaining the sanction of such holder(s), to:

- (a) appoint any person to execute any transfer (or any agreement to transfer) such Deferred Shares to such person(s) as the company may determine (as nominee or custodian thereof or otherwise); and/or
  - (b) give, on behalf of such holder, consent to the cancellation of such Deferred Shares; and/or
  - (c) purchase such Deferred Shares in accordance with the Act,
- in any such case (i) for a price being not more than an aggregate sum of one penny for all the Deferred Shares registered in the name of such holder(s) and (ii) with the company having authority pending such transfer, cancellation and/or purchase to retain the certificates (if any) in respect thereof.

45B.2 No Deferred Share may be transferred without the prior consent of the directors.

45B.3 The provisions of Article 40 shall not apply in relation to any purchase by the company of Deferred Shares.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

### **46. Calculation of dividends**

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

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

46.2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.

### **47. Deductions from distributions in respect of sums owed to the company**

47.1 If:

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

they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the company in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice.

47.2 Money so deducted must be used to pay any of the sums payable in respect of that share.

47.3 The company must notify the distribution recipient in writing of:

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



## CAPITALISATION OF PROFITS

### 48. Authority to capitalise and appropriation of capitalised sums

Article 36(4) of the Model Articles shall be amended by inserting the phrase "in or towards paying up any amounts unpaid on existing shares held by the persons entitled, or" after the words "may be applied".

## LIQUIDATION

### 48A. Liquidation

48A.1 On a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase of shares) the surplus assets of the company remaining after the payment of its liabilities ("**Surplus Assets**") shall be applied (to the extent that the company is lawfully permitted to do so):

- (a) first, a sum of £1.00 shall be distributed to the holders of the Deferred Shares (if any) and any Non-participating Growth Shares (if any) pro rata to their respective holdings of such shares as if such shares constituted one class (which payment shall be deemed satisfied by payment to any holder of holder shares);
- (b) second, if any Surplus Assets remain unpaid following any payments made pursuant to Article 48A.1(a), then the balance of the Surplus Assets shall be distributed as follows:
  - (i) an amount equal to the Growth Share Percentage of the Surplus Assets less the Aggregate Hurdle (the "**Growth Share Distribution**") shall be distributed to the holders of Growth Shares (other than Non-participating Growth Shares), with each receiving an amount equal to:

$$(SA \times G) / ES - AH$$

Where

"SA" is the total amount of the Surplus Assets available for distribution to Equity Shares under this Article 48A.1(b);

"G" is the number of Growth Shares (excluding Non-participating Growth Shares) held by the holder in question;

"ES" is the total number of Equity Shares (excluding Non-participating Growth Shares) in issue; and

"AH" is the sum of each Hurdle applying to each Growth Share held by the holder in question (excluding any Growth Share that is a Non-participating Growth Share);

- (ii) the Surplus Assets less the Growth Share Distribution are then distributed amongst the holders of ordinary shares on a pro rata basis.

## EXIT PROVISIONS

### 48B. EXIT PROVISIONS

48B.1 On a Share Sale (including, but not limited to, following the exercise of the rights contained in Articles 41 and 42), and notwithstanding anything contrary in the terms and conditions governing such Share Sale, the Proceeds of the Sale shall be distributed in the order of priority set out in Article 48A as if such Proceeds of Sale constituted Surplus Assets. Where any of the Proceeds of Sale for the Share Sale are to be paid after the date of completion of the Share Sale, such Proceeds of Sale shall (on the date that it is actually paid) be distributed amongst the shareholders

in accordance with the provisions of Article 48A and after having taken into account all other Proceeds of Sale that has already been distributed in accordance with the provisions of Article 48A.

## **PART 4**

### **DECISION-MAKING BY SHAREHOLDERS ORGANISATION OF GENERAL MEETINGS**

#### **49. Right to receive notice of and to attend, speak and vote**

49.1 The ordinary shares shall confer on each holder of ordinary shares the right to receive notice of and to attend, speak and vote at all general meetings of the company and to receive and vote on proposed written resolutions of the company.

49.2 The Growth Shares and the Deferred Shares (if any) shall not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general meeting of the company nor to receive or vote on, or otherwise constitute an eligible member for the purposes of, proposed written resolutions of the company.

#### **49.A Convening general meetings**

The directors may call general meetings and, on the requisition of shareholders pursuant to the provisions of the Companies Act 2006, shall forthwith proceed to convene a general meeting in accordance with the Companies Act 2006. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or the shareholders requisitioning the meeting (or any of them representing more than one half of the total voting rights of them all) may call a general meeting. If the company has only a single shareholder, such shareholder shall be entitled at any time to call a general meeting.

#### **50. Notice of general meetings**

50.1 General meetings (other than an adjourned meeting) shall be called by at least fourteen Clear Days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the shareholders having a right to attend and vote, being a majority together holding not less than ninety per cent (90%) in nominal value of the shares at the meeting, giving that right.

50.2 The notice shall specify the time, date and place of the meeting, the general nature of the business to be transacted and the terms of any resolution to be proposed at it.

50.3 Subject to the provisions of these articles and to any restrictions imposed on any shares, the notice shall be given to all shareholders, to all persons entitled to a share in consequence of the death or bankruptcy of a shareholder (if the company has been notified of their entitlement) and to the directors, alternate directors and the auditors for the time being of the company.

50.4 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

#### **51. Resolutions requiring special notice**

51.1 If the Companies Act 2006 requires special notice to be given of a resolution, then the resolution will not be effective unless notice of the intention to propose it has been given to the company at least twenty-eight Clear Days before the general meeting at which it is to be proposed.

51.2 Where practicable, the company must give the shareholders notice of the resolution in the same manner and at the same time as it gives notice of the general meeting at which it is to be proposed. Where that is not practicable, the company must give the shareholders at least fourteen

Clear Days' before the relevant general meeting by advertisement in a newspaper with an appropriate circulation.

- 51.3 If, after notice to propose such a resolution has been given to the company, a meeting is called for a date twenty-eight days or less after the notice has been given, the notice shall be deemed to have been properly given, even though it was not given within the time required by Article 51.1.

52. **Quorum for general meetings**

No business shall be transacted at any meeting unless a quorum is present. Subject to section 318(2) of the Companies Act 2006, two qualifying persons (as defined in section 318(3) of the Companies Act 2006) entitled to vote upon the business to be transacted shall be a quorum, provided that if the company has only a single shareholder, the quorum shall be one such qualifying person.

53. **Adjournment**

Article 41(1) of the Model Articles shall be amended by inserting the following sentence at the end of the first sentence of that article: "If, at the adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be dissolved".

### **VOTING AT GENERAL MEETINGS**

54. **Voting: general**

- 54.1 Subject to any rights or restrictions attached to any shares, on a show of hands, every shareholder who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative (unless the representative is himself a shareholder, in which case he shall have more than one vote) shall have one vote. A proxy shall not be entitled to vote on a show of hands.

- 54.2 No shareholder shall vote at any general meeting or at any separate meeting of the holder of any class of shares, either in person or by proxy, in respect of any share held by him unless all monies presently payable by him in respect of that share have been paid.

- 54.3 In the case of joint holders the vote of the senior who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.

- 54.4 Unless a poll is duly demanded, a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

55. **Poll votes**

- 55.1 On a poll every shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote for every share of which he is the holder. On a poll, a shareholder entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

- 55.2 Article 44(2) of the Model Articles shall be amended by the insertion of the following subparagraph as article 44(2)(e):

"a person or persons holding shares conferring a right to vote on the resolution on which not less than one tenth of the total sum paid up on all the shares conferring that right."

- 55.3 Article 44(3) of the Model Articles shall be amended by inserting the following sentence at the end of the Article:

"A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made".

- 55.4 The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

- 55.5 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

- 55.6 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven Clear Days' notice shall be given specifying the time and place at which the poll is to be taken.

56. **Content of proxy notices**

- 56.1 Subject to the provisions of these articles, a shareholder is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a general meeting. A shareholder may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.

- 56.2 Proxies may only validly be appointed by a notice in writing (**proxy notice**) which:

- (a) states the name and address of the shareholder appointing the proxy;
- (b) identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
- (d) is delivered to the company in accordance with the articles and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate and received by the company:
  - (i) subject to Articles 56.2(d)(ii) and 56.2(d)(iii), in the case of a general meeting or adjourned meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the right to vote is to be exercised;
  - (ii) in the case of a poll taken more than forty-eight hours after it is demanded, after the poll has been demanded and not less than twenty-four hours before the time appointed for the taking of the poll; or
  - (iii) where the poll is not taken forthwith but is taken not more than forty-eight hours after it was demanded, at the time at which the poll was demanded or twenty-four hours before the time appointed for the taking of the poll, whichever is the later,

and a proxy notice which is not delivered and received in such manner shall be invalid.

- 56.3 Article 45(3) of the Model Articles shall be amended by the addition of the following at the end of the article:

"and the proxy is obliged to vote or abstain from voting in accordance with the specified instructions. However, the Company is not obliged to check whether a proxy votes or abstains from voting as he has been instructed and shall incur no liability for failing to do so. Failure by a proxy to vote or abstain from voting as instructed at a meeting shall not invalidate proceedings at that meeting."

**57. Delivery of proxy notices**

57.1 Any notice of a general meeting must specify the address or addresses (**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.

57.2 Article 46(1) of the Model Articles shall be amended by inserting the words: "to a proxy notification address" at the end of that Article.

57.3 A notice revoking a proxy appointment only takes effect if it is received by the company:

- (a) Subject to Articles 57.3(b) and 57.3(c), in the case of a general or adjourned meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the right to vote is to be exercised;
- (b) in the case of a poll taken more than forty-eight hours after it was demanded, not less than twenty-four hours before the time appointed for the taking of the poll; or
- (c) in the case of a poll not taken forthwith but not more than forty-eight hours after it was demanded, at the time at which it was demanded or twenty-four hours before the time appointed for the taking of the poll, whichever is later,

and a notice which is not delivered and received in such manner shall be invalid.

57.4 In calculating the periods referred to in Article 56 (Content of proxy notices) and this Article 57, no account shall be taken of any part of a day that is not a working day.

**58. Representation of corporations at meetings**

Subject to the Companies Act 2006, a company which is a shareholder may, by resolution of its directors or other governing body, authorise one or more persons to act as its representative or representatives at a meeting of the company or at a separate meeting of the holders of a class of shares of the company (**corporate representative**). A director, secretary or other person authorised for the purpose by the directors may require a corporate representative to produce a certified copy of the resolution of authorisation before permitting him to exercise his powers.

**WRITTEN RESOLUTIONS**

59. A resolution of the shareholders (or a class of shareholders) may be passed as a written resolution in accordance with chapter 2 of part 13 of the Companies Act 2006.

**PART 5**

**MISCELLANEOUS PROVISIONS  
COMMUNICATIONS**

**60. Means of communication to be used**

60.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

- (a) If properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, forty-eight hours after it was posted;

- (b) If properly addressed and delivered by hand, when it was given or left at the appropriate address;
- (c) If properly addressed and sent or supplied by electronic means forty-eight hours after the document or information was sent or supplied; and
- (d) If sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this Article 60.1, no account shall be taken of any part of a day that is not a working day.

- 60.2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by of the Companies Act 2006.
- 60.3 In the case of joint holders of a share, all notices or documents shall be given to the joint holder whose name stands first in the register in respect of the joint holding. Notice so given shall be sufficient notice to all of the joint holders. Where there are joint holders of a share, anything which needs to be agreed or specified in relation to any notice, document or other information to be sent or supplied to them can be agreed or specified by any one of the joint holders. The agreement or specification of the joint holder whose name stands first in the register will be accepted to the exclusion of the agreement or specification of any other joint holder (s) whose name(s) stand later in the register.
- 60.4 The Company may give notice to the transmittee of a member, by sending or delivering it in any manner authorised by these Articles for the giving of notice to a member, addressed to that person by name, or by the title, of representative of the deceased or trustee of the bankrupt or representative by operation of law or by any like description, at the address (if any) within the United Kingdom supplied for the purpose by the person claiming to be so entitled. Until such an address has been so supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy or operation of law had not occurred.

## **ADMINISTRATIVE ARRANGEMENTS**

### **61. Company seals**

Article 49(3) of the Model Articles shall be amended by the insertion of the words "by either at least two authorised persons or" after the word "signed".

## **DIRECTORS' INDEMNITY AND INSURANCE**

### **62. Indemnity**

- 62.1 Subject to Article 62.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:
  - (a) each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:
    - (i) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
    - (ii) in relation to the company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs; and

- (b) the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 62.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

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

62.3 In this Article 62:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a **relevant officer** means any director or alternate director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Companies Act 2006) and may, if the shareholders so decide, include any person engaged by the company (or any associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

### 63. Insurance

63.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss.

63.2 In this Article:

- (a) a **relevant officer** means any director or alternate director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Companies Act 2006);
- (b) a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company; and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.