

Company Number: 09753031

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTION OF THE SOLE MEMBER
of
PERCY HO LIMITED
(the Company)

Circulated on 10 September (the **Circulation Date**)

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, it is proposed that the resolution below is passed as indicated below. The resolution set out below is referred to in this document as the **Resolution**.

SPECIAL RESOLUTION


- I. THAT, with effect from this Resolution being passed, the articles of association in the form attached to this Resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.

Please read the notes set out below before signing or taking any action on this document.

AGREEMENT

The sole member entitled to vote on the Resolution on the Circulation Date, irrevocably agrees to the Resolution.

SIGNED by BORIS KOFMAN

Signature 

Date on which resolution is passed.....10 September 2015.....



Notes

1 If you agree to the Resolution, please indicate your agreement by signing (but not dating) this document where indicated above and returning it to the Company using one of the following methods

1 1 by hand or post to Boris Kofman, Acre House, 11115 William Road, London, NW1 3ER, or

1 2 by attaching a scanned copy of the signed document and sending it to bkofman@virtus-realestate.com

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

2 By returning the document to the person as set out at 1 above you irrevocably confirm that he/she or any person he/she may nominate is authorised at his/her sole discretion to deliver the signed document to the Company and date it with delivery on your behalf and will (until the date of delivery of such document to the Company) continue to hold the document as your agent and not as agent for the Company. Once delivered, you will have indicated your agreement to the Resolutions and may not revoke your agreement

3. The Resolution will lapse if your agreement to it has not been received by the Company within 28 days of the Circulation Date

4 In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members

5 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

Company number 09753031

ARTICLES OF ASSOCIATION

of

PERCY HO LIMITED

a private company limited by shares incorporated under the Companies Act 2006

(adopted by special resolution passed on 10. September 2015)

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PART 1- INTERPRETATION

1 EXCLUSION OF MODEL ARTICLES

No regulation containing any default or model article made in or under any statute concerning companies applies as any regulation or article of the company. Without limitation, no article in The Companies (Model Articles) Regulations 2008 applies.

2 DEFINED TERMS AND INTERPRETATION

2.1 In the articles, unless the context requires otherwise:

alternate or alternate director has the meaning given in article 27;

appointor has the meaning given in article 27,

articles means the company's articles of association,

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

business day means a day other than a Saturday, Sunday or public holiday in the United Kingdom, on which clearing banks are generally open for business in the City of London,

chairman has the meaning given in article 15,

chairman of the meeting has the meaning given in article 58,

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

Companies Act means the Companies Act 2006, as amended,

compulsory transfer event has the meaning given in article 39,

controlling interest means an interest (within the meaning of schedule 1 to the Companies Act) in any shares in the capital of the company conferring in aggregate more than 50 per cent of the total voting rights conferred by all the shares in the capital of the company from time to time in issue on a poll and conferring the right to vote at all general meetings of the company,

deemed transfer notice means a transfer notice deemed to be given under any provision of these articles or any relevant agreement,

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

distribution recipient has the meaning given in article 50,

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

drag interest means an interest (within the meaning of schedule 1 to the Companies Act) in any shares in the capital of the company conferring in aggregate more than 75 per cent of the total voting rights (plus the voting rights held by the Investors) conferred by all the

shares in the capital of the company from time to time in issue on a poll and conferring the right to vote at all general meetings of the company,

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

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

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

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

instrument means a document in hard copy form,

ITEPA means the Income Tax (Earnings and Pensions) Act 2003,

offeree has the meaning given in article 40 8,

open market value has the meaning given in article 41 2,

Option means the call option granted to Elmaha Investments Limited by Westernway Management Limited pursuant to a shareholders' agreement entered into on the date of the adoption of the articles,

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

paid means paid or credited as paid;

participate, in relation to a directors' meeting, has the meaning given in article 12,

proxy notice has the meaning given in article 64,

qualifying shareholder has the meaning given in article 40 8,

relevant agreement means any agreement relating (in whole or in part) to the management and/or affairs of the company which is binding from time to time on the shareholders or the company and the shareholders and which (expressly or by implication) supplements and/or prevails over any provisions of the articles,

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

shareholder consent means the prior consent of the holders of 70 per cent of the voting rights attached to the shares complying with article 71 2,

Shares means the ordinary shares of £1 00 each in the capital of the company,

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

SSCBA means the Social Security Contributions and Benefits Act 1992,

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

total transfer condition has the meaning given in article 40 4,

transfer notice means a notice given by a shareholder proposing to transfer all or part of its holding of shares (as the case may be) and includes, where the context allows, a deemed transfer notice,

transfer price means the price per share calculated in accordance with article 41,

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

voluntary transfer notice has the meaning given in article 40 2; and

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

- 2 2 Unless the context otherwise requires, other words or expressions contained in these articles have the same meaning as in the Companies Act as in force on the date when these articles become binding on the company
- 2 3 Unless the context requires otherwise, references in these articles to
- 2 3 1 any masculine, feminine or neuter gender includes all other genders,
- 2 3 2 the singular includes the plural and plural includes the singular,
- 2 3 3 a **person** includes a reference to any person, individual, partnership, limited liability partnership, company, firm, corporation, government, state or agency of a state or any undertaking (whether or not having separate legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists), and
- 2 3 4 any statute or statutory provision is to be construed as a reference to that provision as it may have been, or may from time to time be, amended, modified or re-enacted
- 2 4 The headings in these articles are for convenience only and do not affect the construction or interpretation of the articles
- 2 5 In construing these articles, general words (including words introduced by the word **other**) are not to be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things and general words are not to be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words

PART 2 - LIABILITY OF SHAREHOLDERS

3 LIABILITY OF SHAREHOLDERS

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

PART 3 - DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

4 DIRECTORS' GENERAL AUTHORITY

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

5 SHAREHOLDERS' RESERVE POWER

5 1 The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action

5 2 No such special resolution invalidates anything which the directors have done before the passing of the resolution

6 DIRECTORS MAY DELEGATE

6 1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles to such person or committee, by such means (including by power of attorney), to such an extent, in relation to such matters or territories, and on such terms and conditions as they think fit

6 2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated

6 3 The directors may revoke any delegation in whole or part, or alter its terms and conditions

7 COMMITTEES

7 1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors

7 2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them

DECISION-MAKING BY DIRECTORS

8 DIRECTORS TO TAKE DECISIONS COLLECTIVELY

8 1 Decisions of directors may be taken in the form of a directors' written resolution or at a meeting of directors

8 2 Unless the company has set a minimum number of directors of two or more under article 23, if the company only has one director, the general rule does not apply, and the director may take decisions without regard to articles 9 to 16 inclusive

8 3 Where the company has set a minimum number of directors of two or more under article 23, and the number of directors in office falls to below that minimum number of directors, the only decision that the remaining director or directors (if any) can take will be to appoint sufficient additional directors to reach the minimum number, or to call a general meeting to enable the shareholders to appoint a further director or directors That decision may be taken

831 if only one director remains in office, by a decision of that sole director without regard to articles 9 to 16 inclusive; or

832 if more than one director remains in office, in the form of a directors' written resolution or at a meeting of directors in accordance with the articles but, if the quorum would otherwise be higher than the number of directors remaining, it will be the number of directors remaining in office for the purpose only of that decision

9 PROPOSING DIRECTORS' WRITTEN RESOLUTIONS

91 Any director or the company secretary, if any, on the request of any director, may propose a directors' written resolution which may be proposed by giving notice of the proposed resolution in writing to each other director

92 Notice of a proposed directors' written resolution must indicate the proposed resolution, and the time by which it is proposed that the directors should adopt it

93 Any decision which a person giving notice of a proposed directors' written resolution takes regarding the process of adopting that resolution must be taken reasonably in good faith

10 ADOPTION OF DIRECTORS' WRITTEN RESOLUTIONS

101 A proposed directors' written resolution is adopted when a majority of the directors who would have been entitled to vote on the resolution at a directors' meeting have signed it, whether on a single copy or counterparts, provided that those directors would have formed a quorum at such a meeting

102 It is immaterial whether any director signs the resolution before or after the time by which the notice proposed that it should be adopted

103 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

11 CALLING A DIRECTORS' MEETING

111 Any director may call a directors' meeting by giving reasonable notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice

112 Notice of any directors' meeting must indicate: its proposed date and time, where it is to take place; and if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting

113 Notice of a directors' meeting must be given to each director, but need not be in writing. Notice of a directors' meeting need not be given to any director who waives his entitlement to notice of the meeting by giving notice of that waiver to the company either before, during or after the meeting. Where such waiver is given, whether before, during or after the meeting, the fact of failure to give notice to the director who waives notice (or the fact that notice of the meeting is given late to that director) will not affect the validity of the meeting or of any business conducted at it

12 PARTICIPATION IN DIRECTORS' MEETINGS

12.1 Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when

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

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

12.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other but they should all be able to hear each other

12.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is

13 REPRESENTATIVES OF CORPORATE DIRECTORS

Any corporation which is a director of the company may by a resolution of its directors or other governing body authorise any person as it thinks fit to act as its representative at any meeting of the company's directors, and the person so authorised will be entitled to exercise on behalf of the corporation which he represents any powers and duties as the corporation could exercise if it were an individual director of the company

14 QUORUM FOR DIRECTORS' MEETINGS

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

14.2 Subject to articles 8.3 and 14.3, the quorum for directors' meetings is two or such higher number as may be fixed from time to time by a decision of the directors but if the total number of directors in office falls below that higher number, the quorum will be reduced to the number of directors remaining in office

14.3 If, by reason of any provision of these articles or by law, one or more of the directors is unable to count to the quorum and vote on a particular decision, leaving insufficient other directors to be able to make up a quorum, the quorum will be reduced to the number of directors in office who are able to vote and count to the quorum, but only for the purposes of the part of the meeting dealing with the decision in question

15 VOTING AT DIRECTORS' MEETINGS

15.1 Subject to the articles, a majority decision of the directors at a meeting is taken by a majority of votes of the participating directors and each director has one vote

15.2 The directors may appoint a director to chair their meetings. The person so appointed for the time being is known as the chairman. The directors may terminate the chairman's appointment at any time

15.3 If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it

16 **CASTING VOTE**

The chairman does not have a casting vote at a meeting of directors

17 **PERMITTED INTERESTS**

17.1 Provided that the director has disclosed his interest in accordance with article 18 or 19.1, if required, a director is, notwithstanding his office, authorised to hold the following interests (**permitted interests**)

17.1.1 to be a party to, or otherwise interested in any transaction or arrangement with the company or in which the company is otherwise interested, or

17.1.2 to be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the company or in which the company is interested

17.2 No director will, as a result of any permitted interest, be accountable to the company by reason of his office as a director of the company for any benefit he derives from a permitted interest. No transaction or arrangement may be avoided as a result of a permitted interest.

17.3 To the extent that it would breach section 175 of the Companies Act, if not authorised, each permitted interest and any conflict of interest which may reasonably be expected to arise out of a permitted interest is authorised for the purpose of that section and will not require separate authorisation under article 19. The authorisation in this article may be withdrawn or varied at any time by the directors or shareholders without affecting anything done by the director or shareholder before that withdrawal or variation. Article 19.7 applies to permit conduct by the director in relation to the interest as if it were a conflict authorised under article 19.

18 **INTERESTS IN TRANSACTIONS WITH THE COMPANY**

Each director must declare the nature and extent of any, direct or indirect, interest in a transaction or arrangement with the company to the extent required to do so in accordance with the Companies Act, including in particular sections 177 and 182.

19 **INTERESTS OTHER THAN IN TRANSACTIONS WITH THE COMPANY**

19.1 Each director must declare any situation in which he has or can have a direct or indirect interest which conflicts (or possibly may conflict) with the interests of the company and which, if not authorised or ratified, would amount to a breach of section 175 of the Companies Act (a **conflict**). A declaration of a conflict must be made to the other directors, unless they are already aware of the interest and its extent.

19.2 Either the directors may or, if the directors are (or may be) unable or unwilling to authorise the conflict, the shareholders may, authorise any conflict so declared. They may also authorise a matter which would amount to a conflict on appointment of a person as a director. That authorisation will have effect from the appointment of that person as a director.

19.3 Any director (including the director in question) or the company secretary, if any, may propose that a conflict be authorised by the directors. An authorisation of a conflict which is given at a meeting of directors will only be effective if the quorum requirements would be

met without counting the director in question or any other interested director and if the matter was agreed to without their voting or would have been agreed to if their vote had not been counted. The authorisation may also be given by a directors' written resolution, taking account of the restrictions on voting and quorum set out in this article 19.3

19.4 Save as otherwise required by law, any authorisation to be given by the shareholders may be by ordinary resolution

19.5 Any authorisation of a conflict may (whether at the time of giving the authority or subsequently)

19.5.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised, and

19.5.2 be subject to such terms and for such duration, or impose such limits or conditions as the authorisation may specify,

and the director must conduct himself in accordance with any such terms, limits or conditions

19.6 The authorisation of conflict may, in the case of an authorisation given by the directors, be terminated or varied by the directors or the shareholders at any time; and, in the case of an authorisation given by the shareholders, be terminated or varied by the shareholders at any time. No variation or termination will affect anything done by a director before the termination or variation in accordance with the terms of the authorisation

19.7 Unless otherwise provided in the terms of the authorisation of a conflict (as varied from time to time), the director will have the authority (without breaching his other duties to the company)

19.7.1 not to disclose any information to the company or use or apply any information in performing his duties, where he has obtained that 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, where to do so would amount to a breach of that confidence, and

19.7.2 to absent himself from discussions whether in meetings of the directors or otherwise and exclude himself from information which will or may relate to that conflict

19.8 Unless otherwise provided in the terms of the authorisation (as varied from time to time), the director will not by reason of his office as a director of the company be accountable to the company for any benefit which he derives from any authorised conflict and no transaction or arrangement will be liable to be avoided on such grounds

20 **INTERESTED DIRECTOR PARTICIPATION IN DECISION-MAKING**

20.1 Where a proposed decision of the directors concerns any matter in which a director has a direct or indirect interest or a duty which does (or may) conflict with an interest or duty he owes to the company (whether or not by reason of his being interested in a transaction or arrangement with the company or otherwise), he may be counted as participating in the decision-making process for quorum or voting purposes. This is subject, where applicable, to:

- 20 I 1 the director having disclosed his interest in accordance with the articles and the Companies Act (including without limitation sections 177 and 182) and, where necessary, it having been authorised in accordance with article 19, and
- 20 I 2 to any terms and conditions imposed by the directors or shareholders in accordance with article 19 and the other provisions of the articles
- 20.2 For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting
- 20 3 Subject to article 20 4, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive
- 20 4 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes

21 RECORDS OF DECISIONS TO BE KEPT

The directors must ensure that the company keeps a record, in writing, for at least ten years from the date of the decision, of every decision taken by the directors or by a sole director made under article 8 2 or 8 3

22 DIRECTORS' DISCRETION TO MAKE FURTHER RULES

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

APPOINTMENT OF DIRECTORS

23. MINIMUM NUMBER OF DIRECTORS

The company may by resolution in general meeting provide that there should be a minimum number of directors and may revoke or amend that minimum at any time Unless for the time being a minimum has been so provided, the company need only have one director.

24. APPOINTMENT AND TERMINATION OF DIRECTORS

- 24.1 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 by ordinary resolution, or by a decision of the directors
- 24.2 If, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee or transmittees of the last shareholder to have died or have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a person who is willing and permitted by law to be a director
- 24 3 For the purposes of article 24 2, where two or more shareholders die in circumstances in which it is uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder

- 24 4 A person ceases to be a director as soon as
- 24 4 1 that person ceases to be a director by any provision of the Companies Act or is prohibited from being a director by law,
 - 24 4 2 a bankruptcy order is made against that person,
 - 24 4 3 a composition is made with that person's creditors generally in satisfaction of that person's debts,
 - 24 4 4 a registered medical practitioner who is treating that person gives a written opinion to the company stating that the person has become physically or mentally incapable of acting as a director and may remain so for more 3 months or where the person does not give consent to the medical practitioner giving an opinion, the other directors reasonably decide that he is no longer physically or mentally capable of performing his role as a director and is likely to remain so for more than six months, or
 - 24 4 5 notification is received by the company from the director that the director is resigning from office, and that resignation has taken effect in accordance with its terms

25 **DIRECTORS' REMUNERATION**

- 25 1 Directors may undertake any services for the company that the directors decide. Directors are entitled to such remuneration as the directors decide: for their services to the company as directors, and for any other service which they undertake for the company
- 25 2 Subject to the articles, a director's remuneration may take any form, include any arrangements concerning the grant of shares or share options, and include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director and his family and dependents. Unless the directors decide otherwise, directors' remuneration accrues from day to day
- 25 3 The directors may also provide benefits including pension, gratuity and insurance to former directors of the company and directors of any subsidiary of the company or former subsidiary of the company and in each case their family members and dependents
- 25 4 Unless the directors decide otherwise, directors and former directors are not accountable to the company for any benefit or remuneration which they or their family or dependents receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested. This article is without prejudice to article 17

26 **DIRECTORS' EXPENSES**

The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at meetings of directors or committees of directors, general meetings; or separate meetings of the holders of any class of shares or of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company

ALTERNATE DIRECTORS

27 APPOINTMENT AND REMOVAL OF ALTERNATES

- 27 1 Any director (the **appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to exercise that director's powers, and carry out that director's responsibilities, in each case in relation to the taking of decisions by the directors in the absence of the alternate's appointor. The same alternate may be appointed by more than one director
- 27 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
- 27 3 The notice must identify the proposed alternate, and 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

28 RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

- 28 1 Except as the articles specify otherwise, an alternate director has the same rights, in relation to any directors' meeting or directors' written resolution, as the alternate's appointor
- 28 2 Except as the articles specify otherwise, alternate directors are deemed for all purposes to be directors, are liable for their own acts and omissions; are subject to the same restrictions as their appointors; and are not deemed to be agents of or for their appointors
- 28 3 A person who is an alternate director but not a director
- 28 3 1 may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating),
- 28 3 2 may sign a written resolution (but only if it is not signed or to be signed by that person's appointor), and
- 28 3 3 has a vote for a meeting for each appointor who has appointed him but is not participating (provided his appointor would be entitled to that vote if he were participating) but no alternate may be counted as more than one director for the purposes of calculating whether a quorum is present
- 28 4 A director who is also an alternate director has an additional vote on behalf of each appointor who is not participating in a directors' meeting, and would have been entitled to vote if they were participating in it, but will not count as more than one director for the purposes of determining whether a quorum is present.
- 28 5 Interests of the appointor will be treated as interests of the alternate in addition to any interests the alternate has, such that the alternate will not have a vote on behalf of that appointor if the appointor could not have voted on a particular matter under these articles. However, the alternate will not be precluded from voting on behalf of any other director or on his own behalf by reason of any interest of his appointor
- 28 6 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

29 **TERMINATION OF ALTERNATE DIRECTORSHIP**

An alternate director's appointment as an alternate terminates when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate, on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director; on the death of the alternate's appointor, or when the appointment as a director of the alternate's appointor terminates

PART 4 - SHARES AND DISTRIBUTIONS

SHARES

30 **ALL SHARES TO BE FULLY PAID UP**

No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue. This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum

31 **POWERS TO ISSUE DIFFERENT CLASSES OF SHARE**

31.1 Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares

31.2 The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may decide the terms, conditions and manner of redemption of any such shares

32 **PRE-EMPTION ON ALLOTMENT**

32.1 In this article.

32.1.1 **equity securities, allotment of equity securities** and **ordinary shares** have the same meaning as in section 560 of the Companies Act; and

32.1.2 in relation to an "allotment of equity securities" which is a sale of ordinary shares in the company that immediately before the sale were held by the company as treasury shares, **subscription price** and **subscribe** mean purchase price and purchase respectively, **holder of ordinary shares** and **shareholder** will not include the company as holder of treasury shares so that the company has no right to participate in the offer and when calculating the **proportion in nominal value** held by a holder of ordinary shares, shares held in treasury will not be counted in the total nominal value of shares in issue

32.2 In accordance with section 567(1) of the Companies Act, sections 561 and 562 of the Companies Act will not apply to an allotment of equity securities made by the company

32.3 Except with shareholder consent and as otherwise provided by these articles and subject to article 32.7, if the company proposes to allot any equity securities, those equity securities may not be allotted to any person unless the company has first offered to each holder of ordinary shares on the date of the offer on the same or more favourable terms a proportion of those equity securities that is as nearly as practicable (without involving fractions) equal to the proportion in nominal value held by that holder of the ordinary shares. The offer must

- 32.3.1 be in writing and state a period to be decided by the directors, during which the offer will be open for acceptance, which must not be shorter than 10 business days and must give details of the number and subscription price of the relevant equity securities; and
- 32.3.2 stipulate that any shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which he is entitled must, in his acceptance, state the maximum number of excess equity securities (**excess securities**) for which he wishes to subscribe
- 32.4 Article 32.3 will not apply to the allotment of equity securities to which section 561(1) of the Companies Act would not apply by reason of sections 564 (bonus shares), 565 (issues for non-cash consideration) and 566 (securities held under an employees' share scheme) of the Companies Act
- 32.5 Any equity securities not accepted by shareholders pursuant to the offer made to them in accordance with article 32.3 must
- 32.5.1 firstly be used for satisfying any requests for excess securities made pursuant to article 32.3. If there are insufficient excess securities to satisfy those requests, each applicant who has requested to subscribe for excess securities (for the purposes of this article, an applicant) will be allotted a proportion of the available excess securities that is (as nearly as possible without involving fractions or increasing the number of excess securities allotted to any shareholder beyond that applied for by him) equal to the proportion which the number of securities held by him immediately before the offer was made to shareholders in accordance with article 32.3 bears to the total number of securities held by the applicants,
- 32.5.2 secondly, to the extent excess securities remain, those remaining securities will be allocated to any applicants whose applications for excess securities have not been satisfied, by repeating the allocation process at 32.5.1 until either all the applicants' requests for excess securities have been satisfied, or no excess securities remain
- 32.6 After any allotments required to be made pursuant to article 32.5 have been made, any excess securities remaining may be offered to any other person as the directors may decide, at the same or no more favourable price and on the same or on no more favourable terms as the offer to the shareholders pursuant to article 32.3, subject to article 32.7
- 32.7 For the purposes of articles 32.3 and 32.6, the following will be left out of account of the determination of whether the offer made by the company to the shareholder was similar or on the same terms or more favourable as any offer made to any other person (including any other shareholder): (i) any term of any offer to any person requiring the company to be indemnified for any liability of the company or that of any subsidiary of the company to account for any income tax or employee's national insurance contributions arising on the allotment or the issue of the shares or requiring the company or any subsidiary of the company (to the extent legally permissible) to be indemnified for any employer's national insurance contributions liability of the company or any subsidiary of the company arising in connection with the issue or the allotment of the shares, or (ii) any term of any offer to any person requiring the offeree to make any election which the company may request in connection with or in respect of any tax or national insurance contributions, or (iii) any term of any offer to any person requiring the offeree to make arrangements to the satisfaction of the company to ensure that the company and /or any subsidiary of the company will be fully funded for meeting its liability to account for such income tax or

employee's national insurance contributions or to discharge such employer's national insurance contributions

33 SHARE CAPITAL DIVISION AND REPURCHASE

33 1 A resolution authorising a sub-division of shares may determine that as between the shares resulting from the sub-division, any of them may have any preference or advantage or be subject to any restriction as compared with the others

33 2 The company is authorised to purchase its own shares out of capital in accordance with (and subject to the limits set out in) section 692(1ZA) of the Companies Act

34 TREASURY SHARES

34 1 Where the company holds treasury shares under Chapter 6 of Part 18 of the Companies Act 2006

34 1 1 article 32 will apply to any transfer of shares by the company except for any transfer for the purposes of or pursuant to an employees' share scheme and articles 38 1, 38.2, 38 4 to 38 6 inclusive and article 48 1 will apply (but articles 38 to 44 will not otherwise apply) to any transfer of shares by the company,

34 1 2 article 55 will apply to permit the company to participate in a capitalisation of profits of the company, as if the company were a person who would have been entitled to a sum to be capitalised if it were distributed by way of dividend, provided that the participation by the company is authorised by an ordinary resolution

34 2 Save as set out in article 34 1 and in accordance with sections 726(4) and 727 of the Companies Act, the company may not exercise any right in respect of treasury shares and no dividend may be paid or other distribution of the company's assets made to the company in respect of the treasury shares

35 COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

Except as required by law, no person is to be recognised by the company as holding any share on any trust, and except as otherwise required by law or the articles and without prejudice to articles 38 1 and 38 3, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it. Without limitation, the company is not obliged to verify whether a proxy or corporate representative acts in accordance with any instruction given to the proxy or corporate representative by the person who appoints him. No vote will be invalidated by reason of a proxy or corporate representative not voting in accordance with his instructions

36 SHARE CERTIFICATES

36 1 The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds

36 2 Every certificate must specify in respect of how many shares, of what class, it is issued; the nominal value of those shares, that the shares are fully paid; and any distinguishing numbers assigned to them

- 36 3 No certificate may be issued in respect of shares of more than one class. If more than one person holds a share, only one certificate may be issued in respect of it. Certificates must have affixed to them the company's common seal or be otherwise executed in accordance with the Companies Acts.

37 REPLACEMENT SHARE CERTIFICATES

- 37 1 If a certificate issued in respect of a shareholder's shares is damaged or defaced, or said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
- 37 2 A shareholder exercising the right to be issued with such a replacement certificate may at the same time exercise the right to be issued with a single certificate or separate certificates, must return the certificate which is to be replaced to the company if it is damaged or defaced, and must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

SHARE TRANSFERS AND TRANSMISSION

38 SHARE TRANSFERS

- 38 1 No shareholder may transfer any share (including a treasury share) except (but subject always to article 38 3 and article 48 (prohibited transfers) and any provision of a relevant agreement)

38 1 1 in accordance with the Option,

38 1 2 with shareholder consent;

38 1 3 if the transfer is to take place before completion of the Option, Shareholder Consent,

38 1 4 as required or permitted by the terms of a relevant agreement,

38 1 5 in accordance with article 43 (tag along), or

38 1 6 in accordance with article 44 (drag along)

38 1 7 as required or permitted by articles 39 (compulsory transfer) and 40 (pre-emption on transfer)

References in this article 38 to a transfer of any share include disposing of any interest in, or right attaching to, or renouncing or assigning any right to receive or subscribe for any share or creating or permitting to exist any charge, lien, encumbrance or trust over any share or agreeing to do any of those things.

- 38 2 If a shareholder at any time commits a breach of article 38 1 in relation to any share, the purported transfer will be void and (except in the case of the company transferring treasury shares) the shareholder will be deemed immediately after that breach to have given a transfer notice in respect of that share and must comply with the provisions of article 40 (pre-emption on transfer).
- 38 3 The directors may by written notice request any shareholder or any transferee to supply to the company any information and evidence which they reasonably consider relevant to

determine whether a transfer has been or will be carried out in accordance with these articles or whether an event has occurred requiring or deeming a transfer of the shares under these articles. If that information or evidence is not provided to the reasonable satisfaction of the directors within a period of 20 business days after the request, the directors may refuse to register the transfer, if any, concerned and may declare the shares in question to be subject to one or more of the Restrictions. The **Restrictions** are that the holder of the shares in question will not be entitled to vote (whether on a show of hands or a poll or by written resolution or otherwise) or count to the quorum at a general meeting, or transfer the shares to any person except as required by these articles. The Restrictions will not affect the entitlement of the other holders of shares to vote and pass resolutions in accordance with the Companies Act and, if because of the Restrictions applying to a shareholder's shares there will not be sufficient shareholders to make a quorum at a general meeting, the quorum will be reduced by one. The Restrictions may be lifted by the directors at any time and will be lifted on information being supplied showing to the satisfaction of the directors, that no transfer has or will be effected in breach of these articles or (as the case may be) that no event requiring or deeming a transfer has taken place. The Restrictions will be automatically lifted on a transfer of the shares being registered by the directors when the transfer is required to be made by these articles.

- 38 4 Shares may be transferred by an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor
- 38 5 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share. The company may keep any instrument of transfer which is registered. The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 38 6 The directors must refuse to register any transfer of a share which is prohibited under these articles or the terms of a relevant agreement. The directors must not refuse to register any transfer of a share which is permitted or required under these articles or the terms of a relevant agreement except that they may (in their absolute discretion) decline to register any transfer of any share which would otherwise be permitted if it is a transfer
- 38 6 1 which is not accompanied by either, a certificate for the shares to which it relates, or an indemnity (in a form reasonably acceptable to the directors) in respect of that certificate which has been lost or destroyed, or
- 38 6 2 which is not stamped, unless it is exempt or duty is not otherwise payable
- 38 7 Where the directors refuse to register the transfer of a share
- 38 7 1 the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent, and
- 38 7 2 the directors must comply with the requirements of the Companies Act to give the transferee notice of the refusal together with reasons as soon as practicable and in any event within two months after the date on which the transfer is lodged with the company
- 38 8 If a shareholder or any of his transmittes becomes aware of any event which gives rise to an obligation to transfer shares, to serve a transfer notice or a transfer notice being deemed to be given, he must promptly give written notice of that event to the directors. A deemed transfer notice will be deemed to be received by the directors on the date on

which the directors become aware of the event which gives rise to the deemed transfer notice (whether under the previous sentence or otherwise)

- 38 9 An obligation to transfer a share under these articles is an obligation to transfer the entire legal and beneficial interest in that share free from any lien, charge or other encumbrance
- 38 10 A director may not vote or count to the quorum for any directors' decision under article 38 3 where the director is the shareholder concerned, under article 38 6 where the director is the person transferring or required to transfer the share, or under any other provision of these articles where the director is the shareholder who has served or is deemed to have served a transfer notice or if the director's decision relates to the failure by him to transfer his shares under a provision of a relevant agreement by which he is required to transfer his shares
- 38 11 If any person (for the purpose of this article the **transferor**) gives or is deemed to give a transfer notice or is otherwise required to transfer shares under these articles and is unable, fails or refuses to transfer their shares as required by these articles, any person appointed by the directors for the purpose will be irrevocably authorised as agent with full power in the name of (and on behalf of) the transferor to execute and deliver the necessary transfers to the relevant transferee and any other documents necessary for that transferor to comply with the terms of these articles. That authority is given as security for performance of the transferor's obligations. The company may receive the purchase money for the shares in trust for the transferor pending delivery of his share certificates for cancellation and (notwithstanding article 38 6 1) must register the transferee in accordance with these articles as the holder of those shares. The receipt of the company for the purchase money will be a good discharge to the buyer (who need not see to the application of it). On registration of a transfer in exercise of these powers, the validity of the proceedings may not be questioned by any person
- 38 12 Except with shareholder consent, no transfer notice may be served under article 40 (pre-emption on transfer) in respect of a share where a drag notice relating to that share has been given under article 43 and any person has any rights or obligations under that notice
- 38 13 Except with shareholder consent, no transfer notice may be served under article 40 (pre-emption on transfer) in respect of a share where a tag offer relating to that share has been given under article 42 and any person has any rights or obligations under that notice
- 38 14 The provisions of articles 39 (compulsory transfer) and 40 (pre-emption on transfer) may be waived in whole or in part in any particular case with shareholder consent

39 **COMPULSORY TRANSFER**

39 1 In this article 39, **compulsory transfer event** means in relation to a shareholder-

- 39 1 1 the shareholder being adjudicated bankrupt,
- 39 1 2 the shareholder dying unless the shareholder is a joint holder and any other holder survives;
- 39 1 3 by reason of that shareholder's incapacity, another person (by whatever name called) being appointed to exercise powers or rights with respect to his property or affairs,

- 39 | 4 a shareholder making any voluntary arrangement or composition with his creditors
- 39 2 Where a compulsory transfer event occurs in relation to a shareholder, the shareholder in question will be deemed, immediately before that event, to have given a transfer notice in respect of all the shares which the shareholder holds
- 39 3 Unless the directors decide otherwise, if any shareholder is deemed to have given a transfer notice under this article, the shares held by that shareholder will be subject to the Restrictions set out in article 38 3 until they are transferred as required by these articles, or until after this article 39 and article 40 have been complied with, when they will automatically be released from the Restrictions
- 40 **PRE-EMPTION ON TRANSFER**
- 40 1 Except for a transfer of shares which is permitted or required under any other provision of these articles or a relevant agreement, and subject to the terms of any relevant agreement, no share may be transferred until this article 40 is complied with. The following pre-emption provisions also apply in any case where these articles or any relevant agreement specify that a transfer notice must or may be served or that a deemed transfer notice has been served
- 40 2 Any shareholder proposing to transfer a share (the **proposing transferor**) must give a transfer notice in writing to the directors (a **voluntary transfer notice**) that the proposing transferor wishes to transfer that share. In the voluntary transfer notice, the proposing transferor must specify
- 40 2 1 the number and class of shares which the proposing transferor wishes to transfer (the **transfer shares**) (which may be all or part only of the shares then held by the proposing transferor), and
- 40 2 2 (if he has determined a price per share) the price per share at which the proposing transferor wishes to sell the transfer shares, and
- 40 2 3 whether or not the proposing transferor has received an offer from a third party for the transfer shares and, if so, the identity of that third party (including details of any person(s) on whose behalf the transfer shares would or may be held) and the price offered for the transfer shares
- 40 3 In the case of a deemed transfer notice, references in this article 40 and in article 41 to **proposing transferor** will be to the person who is deemed to serve the transfer notice and to **transfer shares** will be to the shares in respect of which the transfer notice is deemed to be given
- 40 4 A voluntary transfer notice must also state whether the proposing transferor wishes to impose a total transfer condition (meaning a condition that unless all of the transfer shares are accepted and sold pursuant to the following provisions of this article 40, none will be sold). In the absence of such a statement the voluntary transfer notice and a deemed transfer notice will be deemed not to contain a total transfer condition. Any two or more shareholders may give a joint voluntary transfer notice (meaning a notice signed by each of them specifying the shares which they wish together to transfer) containing a total transfer condition. That notice will for the purpose of this article 40 take effect as if it were a single voluntary transfer notice and related to all the shares subject to it, but the obligations of

the shareholders under it will be several only in proportion to the number of shares they respectively hold

- 40 5 The directors must notify the proposing transferor (or, where the proposing transferor has died or is bankrupt, his transmittee(s)) that a deemed transfer notice has been deemed to be given within a period of three months after the deemed transfer notice is deemed to be received by the directors under article 38 8. The directors must specify the number and class of transfer shares, the identity of the proposing transferor and the event which has given rise to the transfer notice being deemed to be given.
- 40 6 All shareholders other than the proposing transferor must also be given a copy of any directors' notice of deemed transfer and of any voluntary transfer notice no later than five business days after it is given.
- 40 7 The transfer notice, including a deemed transfer notice, will constitute the company (by its directors) as the agent of the proposing transferor with power to sell the transfer shares (together with all rights attached to them at the date of the transfer notice or deemed transfer notice or at any time afterwards) at the transfer price (as defined in article 41) on the terms of this article 40. Once given, a transfer notice may not be revoked except in accordance with a relevant agreement or in the case of a voluntary transfer notice where the expert has determined the transfer price. In the latter case, the voluntary transferor may revoke the transfer notice by giving notice in writing to the directors that he does so within a period of 10 business days after the date on which the transfer price is determined under article 41 (that period being the **withdrawal period**). If a proposing transferor revokes a transfer notice, he may not subsequently transfer the shares which are subject to the transfer notice (or any interest in them) otherwise than in accordance with the articles and any relevant agreement.
- 40.8 Within five business days after the date on which the transfer price is determined under article 41 or, if the transfer notice is capable of being revoked, within five business days after the withdrawal period expires, the transfer shares will be offered for purchase at the transfer price to any qualifying shareholders who at the date of the offer are registered as the respective holders of shares (**offerees**). The transfer shares will be offered to the offerees in the same proportions as the number of shares held by each of them bears to the number of shares held by all of them. For the purpose of this article, **qualifying shareholder** means any shareholder other than (a) the proposing transferor, (b) any shareholder to whom under article 48 shares may not be transferred, and (c) any shareholder who is deemed to have served a transfer notice or in relation to whom a compulsory transfer event has occurred. Each offer must be made in writing and specify (a) the total number of transfer shares, (b) the transfer price, (c) whether or not the transfer notice contained a total transfer condition, (d) the number of transfer shares offered to the offeree (his **entitlement**), and (e) a period (being not less than 10 business days and not more than 15 business days) within which the offer must be accepted or will lapse (the **offer period**). The notice must be accompanied by a form of application for use by the shareholder allowing him to apply for transfer shares specifying: (i) the number of transfer shares of his entitlement which he accepts; and (ii) any transfer shares in excess of his entitlement, which he accepts, should excess shares be available and allotted to him.
- 40 9 The offer will only be treated as having been accepted by a shareholder if the company receives a duly completed and executed form of application from that shareholder applying for transfer shares by the end of the offer period. Each acceptance will be irrevocable and give rise to a binding agreement between the shareholder giving it (for the purpose of this article 40 9, a **buyer**) and the proposing transferor, for the buyer to buy and the proposing transferor to sell the number of transfer shares allocated to each buyer in accordance with

article 40 11 and at the time and place notified to that buyer and the proposing transferor in accordance with article 40 12. If the transfer notice in question contained a total transfer condition that agreement will be conditional only on acceptances being received for all the transfer shares

40 10 If (i) the transfer notice in question contained a total transfer condition and, by the end of the offer period, the company has not received acceptances in respect of all of the transfer shares, or (ii) there was no total transfer condition, but no acceptances were received by the end of the offer period, the directors must promptly notify that fact to the proposing transferor in writing and none of the transfer shares will be sold to the offerees under this article 40

40 11 If, by the end of the offer period, the company receives acceptances in respect of: (i) all the transfer shares, or (ii) in the case only where the transfer notice did not contain a total transfer condition, some only of the transfer shares, the directors must promptly allocate the transfer shares as follows

40 11.1 to each offeree who has agreed to purchase shares, his entitlement or the lesser number of transfer shares for which he may have applied,

40 11.2 if any offeree has applied for less than his entitlement, the excess must be allocated to any other offerees who have applied for any part of the excess in proportion to the number of shares then held by them respectively (but without allocating to any offeree a greater number of transfer shares than the maximum number applied for by him) and any remaining excess must be apportioned by applying this article 40 11.2 again, and

40 11.3 if any of the transfer shares are not be capable of being offered or allocated without involving fractions, they must be consolidated and allocated in any manner thought appropriate by the directors

40 12 Following allocation under article 40 11 the directors will promptly give notice in writing to the proposing transferor and to the offerees who have agreed to buy them (for the purpose of this article 40, each a **buyer**). The notice must state (a) the total number of transfer shares agreed to be bought, (b) whether or not they constitute all the transfer shares and if they do not, the number not agreed to be purchased, (c) the name and address of and number of transfer shares agreed to be bought by each buyer; and (d) the place and time appointed by the directors for the completion of the purchase (being not less than five business days nor more than 20 business days after the date of that notice). Subject to that notice being given, the purchase must be completed at the time and place appointed by the directors. The receipt of the proposing transferor for the transfer price will be a good discharge to the buyer, the company and the directors, none of whom shall be bound to see to the application of the transfer price money

40 13 If notice is given: (a) under article 40 10 that no transfer shares, or (in the case of a total transfer condition) some only of the transfer shares, have been accepted, or (b) under article 40 12 that some only of the transfer shares have been accepted, the proposing transferor may within a period of three months after the date of the notice sell those transfer shares which have not been accepted to any person or persons (including any shareholder) at a bona fide price per share (the **sale price**) which is at least equal to the transfer price

41 TRANSFER PRICE AND VALUATION OF SHARES

41 1 Except as otherwise provided in these articles or in any relevant agreement, the transfer price will be determined as follows:

41 1 1 in the case of a voluntary transfer notice containing a price per share, the price will be the price per share specified by the proposing transferor in the transfer notice, or

41 1 2 in the case of a deemed transfer notice or where a price per share is not specified, the price will be the price per share agreed in writing between the proposing transferor and the board (not counting the vote of the proposing transferor, if he is a director) In the absence of that agreement (whether by reason of disagreement, absence, death or otherwise) within 15 business days after the transfer notice is served under article 40 2 or, in the case of a deemed transfer, notified to the proposing transferor or his transmittee(s) under article 40 5, the transfer price will be a sum per share equal to the open market value of the transfer shares determined by the expert in accordance with article 41 2, divided by the number of transfer shares

41 2 The expert will be appointed in accordance with article 44 to certify the open market value of the transfer shares (**open market value**) as at the date of the transfer notice The expert will adopt the following assumptions and bases when determining the open market value

41 2 1 valuing the transfer shares as on an arm's length sale between a willing seller and a willing buyer,

41 2 2 if the company is then carrying on business as a going concern, on the assumption that it will continue to do so,

41 2 3 that the transfer shares are capable of being transferred without restriction, and

41 2 4 valuing the transfer shares as a rateable proportion of the total market value of all the issued shares of the company without any premium or discount being attributable to the class of the transfer shares or the percentage of the issued share capital of the company which they represent

If any difficulty arises in applying any of these assumptions or bases, that difficulty will be resolved by the expert as he decides in his absolute discretion.

41 3 Half of the costs and expenses of the expert in determining the transfer price and his appointment will be paid by the proposing transferor and the other half will be paid by the buyers of the transfer shares pro rata according to the number of transfer shares purchased by them unless

41 3 1 the proposing transferor revokes the transfer notice under article 40 7, in which event the proposing transferor will pay all of those costs and expenses,

41 3 2 notice is given that none of the transfer shares are to be purchased under article 40 10, in which event the company will pay those costs and expenses in the case of a deemed transfer and the company and the proposing transferor will each pay half of those costs and expenses in the case of a voluntary transfer

42 TAG ALONG

- 42 1 This article 43 applies if any shareholder or shareholders (the seller) proposes to transfer the beneficial (or legal and beneficial) interest in any shares to any person who is not a shareholder at the date of adoption of these articles which will give that person a controlling interest in the company (a proposed transfer) and provided that a drag notice relating to the proposed transfer has not been given under article 43
- 42 2 Where this article 42 applies, the proposed transfer may not be made (and must not be registered by the directors) unless the seller procures that the proposed transferee(s) (for the purposes of this article 42, the **buyer**) makes a bona fide written offer (**tag offer**) to all the other shareholders to purchase all the shares in the capital of the company then in issue. That offer must be on terms no more onerous and at a price per share which is at least equal to the highest of the price per share to be paid by the buyer for the proposed transfer or paid by any of his connected persons in a related transaction in the six months before the date of the proposed transfer (**tag price**)
- 42 3 The tag offer must:
- 42.3 1 be irrevocable and unconditional (except for any conditions which apply to the proposed transfer),
 - 42.3 2 be governed by the law of England and Wales,
 - 42.3 3 give a date by which it is open for acceptance by the other shareholders giving notice in writing to the company, which date must be at least 15 business days after the offer is given; and
 - 42 3 4 specify (a) the identity of the buyer and his connected persons, (b) the price at which the buyer is to acquire shares from the seller, (c) the tag price and details of how it has been calculated and any other terms and conditions of the offer, (d) the proposed date of the sale, (e) the number of shares which would be held by the buyer and his connected persons following the proposed transfer, and (f) details of how and when completion of the sale of the shares by any shareholder accepting the tag offer is to be effected
- No shareholder (including the seller) may complete any sale of shares to the buyer unless the buyer completes the purchase of all the shares agreed to be sold simultaneously and the directors must refuse to register any transfer which does not comply with this requirement
- 42 4 Notwithstanding article 42 3, if any person (whether or not a shareholder and who is not the seller) has, at the time of the tag offer, rights granted by the company to acquire shares (**option shares**) and who may exercise those rights during the period during which the offer remains open for acceptance or on completion of the tag offer, the tag offer must also be extended to those persons and the tag offer may provide for the sale and purchase of option shares to be completed at a specified later time to ensure that rights to acquire those shares become exercisable
- 42 5 Where there is only one shareholder other than the seller, no tag offer may be made (and therefore the proposed transfer may not be made) unless the seller has first given, and not withdrawn, a voluntary transfer notice under article 40 (pre-emption) and the pre-emption procedure in that article has completed so that the seller is permitted, subject to this article 42, to transfer his shares under article 40 13. Where there is more than one shareholder

other than the seller, no tag offer may be made (and therefore the proposed transfer may not be made) unless the seller has first:

- 42 5 1 given notice (a **co-sale notice**) to all the other shareholders that. (a) the seller proposes to transfer shares to a buyer by making a tag offer under this article 42, but, as required by this article, intends to first give (and not withdraw) a voluntary transfer notice under article 40 (pre-emption) in respect of those shares, and (b) offering to give a joint voluntary transfer notice under article 40 4 with any other shareholder who accepts his offer to do so in respect of any of that shareholder's shares (the **co-sale offer**), and
- 42 5 2 in the co-sale notice also (a) given all the information that the seller would be required to give in the voluntary transfer notice, and (b) specified a date (which must not be less than 10 business days after the date of his notice) by which acceptance of the co-sale offer must be received by the seller by notice in writing and stating the number of shares in respect of which the shareholder concerned proposes to accept the offer, and
- 42 5 3 if some (but not all the other shareholders) accept the co-sale offer by the date stated in the co-sale notice, given and not withdrawn a joint voluntary transfer notice under article 40 4, and the pre-emption procedure in article 40 must have completed so that the seller and any accepting other shareholders are permitted, subject to this article 42, to transfer their shares under article 40 13, and
- 42 5 4 if none of the other shareholders accept the co-sale offer by the date stated in the co-sale notice, given and not withdrawn a voluntary transfer notice under article 40, and the pre-emption procedure in article 40 must have completed so that he is permitted, subject to this article 42, to transfer his shares under article 40 13,
- 42 5 5 but if all the other shareholders accept the seller's co-sale offer in respect of all of their shares by the date given in the co-sale notice, the seller will not be required to comply with article 40 before giving a tag notice

Acceptance by any shareholder of the co-sale offer will constitute the seller as the agent of the accepting shareholder to make the joint transfer notice on the accepting shareholder's behalf

43 **DRAG ALONG**

- 43 1 This article 43 applies if any shareholder or shareholders (the **seller**) proposes to transfer an interest in any shares by way of a bona fide sale on arms' length terms to any person who is not a shareholder at the date of adoption of these articles (**buyer**) which would result (whether by that transaction or a series of related transactions) in that person on his own or with or through his connected persons obtaining direct or indirect control of a drag interest (a **proposed transfer**)
- 43 2 Where this article 43 applies, the seller may require all the other shareholders (**remaining shareholders**) to transfer their shares to the buyer (or to such person as the proposed buyer directs) by giving notice to that effect to the remaining shareholders (**drag notice**)
The drag notice must
 - 43 2 1 be irrevocable and unconditional (except for any conditions which apply to the proposed transfer and except that it may be conditional on completion of the sale

of the transfer to the buyer or person as the proposed buyer directs of the seller's shares (**completion**)),

- 43 2 2 state that the remaining shareholders are required to transfer all their shares pursuant to this article 43 with full title guarantee,
 - 43 2 3 state the person to whom the shares are to be transferred,
 - 43 2 4 state the consideration being paid per share being dragged, which must be of an at least equal amount per share and in the same form as the consideration per share to be paid to the seller for the seller's shares except that it must, if the consideration is not cash, include a cash alternative in both cases at least equal to the price per share offered by the buyer for the seller's shares,
 - 43 2 5 explain the date by which each remaining shareholder must return a form of election specifying its chosen consideration and that, if no such notice is received, the remaining shareholder will receive the cash alternative,
 - 43 2 6 state the date (if then known) on which completion is expected to take place, and
 - 43 2 7 specify what is required for the remaining shareholders to give effect to the transfer and attach copies of any other documents required to be executed by the remaining shareholders, such as a form of transfer, the form of any election to be made in relation to the form of consideration and any documents required to accept any non-cash consideration and give the date by which those documents must be returned to the company which may not be less than five business days after the date on which the drag notice is given
- 43 3 The drag notice may not require a remaining shareholder to agree to any terms except those specifically set out in this article 43
- 43 4 If, after a drag notice is given, any person (whether or not a shareholder) exercises rights to acquire shares granted by the company before completion, the seller (or after completion the buyer) may give a drag notice to that person (**optionholder**) on the same terms as the drag notice given to the remaining shareholders, except that a later date than completion may be given for completion of the transfer
- 43 5 Once a drag notice is given, each remaining shareholder or person as described in article 43 4 will be required to transfer their shares in accordance with it If any shareholder or person fails to transfer all the shares in the company held by them to the buyer or his nominee in accordance with the drag notice and this article 43, the remaining shareholder will (regardless of any election made by it) be deemed to have elected to receive the cash alternative and the provisions of article 38 1 1 will apply
- 43 6 No drag notice may be given unless the seller has first complied with article 40 (pre-emption on transfer) but the transfer of shares of the remaining shareholders or any optionholder pursuant to a drag notice under this article is not subject to article 40
- 44 **EXPERT**
- 44 1 Where the articles provide for a firm of accountants to be appointed to be the expert under this article:

- 44 | 1 the company will appoint a firm of independent chartered accountants which may be the company's auditors if they are able and willing to act and determine their terms of engagement, or
- 44 | 2 failing such appointment and determination within 10 business days of the request of any director or shareholder to the company, the expert will be such independent firm of chartered accountants as is nominated at the request of any shareholder by the President of the Institute of Chartered Accountants in England and Wales and the company must appoint that firm and agree the terms of engagement, complying with these articles, with that firm, by no later than 15 business days of the date on which the terms of appointment of that firm are given to the company
- 44 2 All the shareholders will co-operate in good faith to ensure the expert nominated under article 44 | 2 is appointed by the company (and, if the expert requires, by any of them) by the deadline set out in that article and will not unreasonably withhold consent to the terms of engagement of the expert. Terms of engagement, complying with these articles, signed on behalf of the company and the expert and the appointment of that firm on those terms will be binding on the company and all the shareholders and will not be challenged by the company or any shareholder
- 44 3 The company and the shareholders will use all reasonable endeavours to ensure that the valuation is determined by the expert as quickly as possible and in any event by no later than 15 business days after the terms of engagement are signed, including by providing the expert with any assistance and documents as the expert may reasonably require to reach its decision. To the extent not provided for in these articles, the expert may in his reasonable discretion decide the procedure to be followed in the conduct of the determination as he considers just or appropriate. The expert will act as expert and not as arbitrator, will not be obliged to give reasons for its valuation and its certificate will, save in the case of manifest error or fraud, be final and binding on the company and all shareholders. The company will ensure that a notice containing details of any determination under this article 44 is promptly given to each shareholder
- 45 **TRANSMISSION OF SHARES**
- 45 | 1 If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share
- 45 2 A transmittee who produces such evidence of entitlement to shares as the directors may properly require, may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had
- 45 3 But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares
- 45 4 For the avoidance of doubt, nothing in this article or the two following articles (exercise of transmittees' rights and transmittees bound by prior notices) will prejudice the operation of any compulsory transfer provisions in these articles.

46 EXERCISE OF TRANSMITTEES' RIGHTS

- 46 1 Transmittes who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish
- 46 2 If the transmittes wishes to have a share transferred to another person, the transmittes must execute an instrument of transfer in respect of it
- 46 3 Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittes has derived rights in respect of the share (and provided, where it is applicable, article 39 has been complied with) as if the event which gave rise to the transmission had not occurred

47 TRANSMITTEES BOUND BY PRIOR NOTICES

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

48 PROHIBITED TRANSFERS AND ISSUES

- 48 1 Notwithstanding anything else contained in these articles, except with shareholder consent no share may be issued or transferred to
- 48 1 1 any infant, bankrupt or person suffering from mental disorder, or
- 48 1 2 any person (or a nominee for a person) who is a competitor (or a person "connected" within the meaning of section 1122 of the Corporation Tax Act 2010 of a competitor) with the business of the company or a subsidiary of the company
- 48.2 Notwithstanding anything contained in these articles, except with shareholder consent, on any proposed issue or transfer or acquisition of shares (whether such issue, transfer or acquisition is voluntary or required pursuant to these articles or a relevant agreement)
- 48 2 1 at the request of the company, the proposed acquirer of the shares, provided either (i) he is an individual and a current or prospective employee or director of the company or any subsidiary of the company, or (ii) he is an associated person (as defined by section 421C of ITEPA) of any individual who is a current or prospective employee or director of the company or any subsidiary of the company, must, or must procure any individuals with whom he is so associated, enters into a joint election with the company or (as the case may be) any subsidiary of the company under section 431 of ITEPA and/or, to the extent legally permissible, under paragraph 3B of Schedule 1 to the SSCBA, in each case, in the form which the company requires, and/or
- 48 2 2 if the transfer is likely to result in any liability for the company to account for any income tax and/or employee's national insurance contributions under the PAYE system and/or any liability for employer's national insurance contributions, the proposed transferee of the shares must notify the company of his intention to make the transfer at least five business days before making the transfer
- 48.3 References to **issue** or **transfer** or **acquisition of shares** in article 48 2 include acquiring or disposing any interest in, or right attaching to, or renouncing or assigning any right to

receive or subscribe for any share or creating or permitting to exist any charge, lien, encumbrance or trust over any share or agreeing to do any of those things

48 4 If any person who wishes to make a voluntary acquisition of shares or a voluntary transfer of shares or to exercise any right to acquire or transfer shares refuses or fails to satisfy the requirements of article 48 2 within the time period required by the company, he may not make that acquisition or transfer and any attempt to acquire or transfer the shares which is or has been made in breach of article 48 2 will be of no effect

48 5 If any person is required to make any acquisition of shares or is required to transfer shares and that person refuses or fails to satisfy the requirements of article 48 2 within the time period required by the company, to the extent legally permissible, any person appointed by the directors for the purpose will be irrevocably authorised as agent with full power in the name of (and on behalf of) that person to execute and deliver the documents necessary to make the elections referred to in article 48 2 1

DIVIDENDS AND OTHER DISTRIBUTIONS

49 PROCEDURE FOR DECLARING DIVIDENDS

49 1 Subject to complying with the Companies Acts and any relevant agreement, the company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends

49 2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors

49 3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights

49 4 Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it

49 5 If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear

49 6 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment

49 7 If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights

50 PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

50 1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means

50 1 1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide,

- 50 | 2 posting a cheque made payable to the distribution recipient to the distribution recipient at his registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide,
- 50 | 3 posting a cheque made payable to such person to such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
- 50 | 4 any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide
- 50 2 In the articles, **the distribution recipient** means, in respect of a share in respect of which a dividend or other sum is payable. the holder of the share, or if the share has two or more joint holders, whichever of them is named first in the register of members, or if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee
- 51 **NO INTEREST ON DISTRIBUTIONS**
- The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by. the terms on which the share was issued, or the provisions of another agreement between the holder of that share and the company
- 52 **UNCLAIMED DISTRIBUTIONS**
- 52 1 All dividends or other sums which are payable in respect of shares, and unclaimed after having been declared or become payable, may be invested or otherwise made use of by the directors for the benefit of the company until claimed
- 52 2 The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it
- 52 3 If twelve years have passed from the date on which a dividend or other sum became due for payment; and the distribution recipient has not claimed it, the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company
- 53 **NON-CASH DISTRIBUTIONS**
- 53 1 Subject to the Companies Acts and to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company)
- 53 2 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution: fixing the value of any assets, paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients, and vesting any assets in trustees

54 WAIVER OF DISTRIBUTIONS

Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if the share has more than one holder, or more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise, the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share

CAPITALISATION OF PROFITS

55 AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

55 1 Subject to the articles, the directors may, if they are so authorised by an ordinary resolution

55 1 1 decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve, and

55 1 2 appropriate any sum which they so decide to capitalise (a **capitalised sum**) to the persons who would have been entitled to it if it were distributed by way of dividend (the **persons entitled**) and in the same proportions

55 2 Capitalised sums must be applied on behalf of the persons entitled, and in the same proportions as a dividend would have been distributed to them

55 3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

55 4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct

55 5 Subject to the articles, the directors may

55 5 1 apply capitalised sums in accordance with paragraphs 55 3 and 55 4 partly in one way and partly in another,

55 5 2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments), and

55 5 3 authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article

PART 5 - DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

56 ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 56 1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting and be heard by all such persons during the meeting
- 56 2 A person is able to exercise the right to vote at a general meeting when, that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting
- 56 3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it. In determining attendance at a general meeting, it is immaterial whether any two or more shareholders attending it are in the same place as each other. Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them

57 QUORUM FOR GENERAL MEETINGS

- 57 1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum
- 57 2 Where the company has only one shareholder, one qualifying person attending the meeting will be a quorum. Otherwise, subject to article 38 3, the quorum will be two qualifying persons having the right to vote on the business to be transacted at the meeting unless
- 57 2 1 each is a qualifying person only because he is authorised under section 323 of the Companies Act to act as the representative of a corporation in relation to a meeting and they are representatives of the same corporation, or
- 57.2 2 each is a qualifying person only because he is appointed as proxy of a shareholder in relation to the meeting, and they are proxies of the same shareholder
- 57 3 In this article, **qualifying person** has the same meaning as in section 318(3) of the Companies Act

58 CHAIRING GENERAL MEETINGS

- 58 1 If the directors have appointed a chairman, the chairman must chair general meetings if present and willing to do so
- 58 2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start, the directors present, or (if no directors are present), the meeting, must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting

58 3 The person chairing a meeting in accordance with this article is referred to as **the chairman of the meeting**

59 **ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS**

59 1 Directors may attend and speak at general meetings, whether or not they are shareholders

59 2 The chairman of the meeting may permit other persons who are not. shareholders of the company, or otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting

60 **ADJOURNMENT**

60 1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it

60 2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if the meeting consents to an adjournment, or it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner

60 3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting

60.4 When adjourning a general meeting, the chairman of the meeting must. either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and have regard to any directions as to the time and place of any adjournment which have been given by the meeting

60 5 If the continuation of an adjourned meeting is to take place more than fourteen days after it was adjourned, the company must give at least seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given) to the same persons to whom notice of the company's general meetings is required to be given, and containing the same information which such notice is required to contain

60 6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place

VOTING AT GENERAL MEETINGS

61 **VOTING: GENERAL**

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles

62 **ERRORS AND DISPUTES**

62 1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

- 62 2 Any such objection must be referred to the chairman of the meeting, whose decision is final

63 **POLL VOTES**

- 63 1 A poll on a resolution may be demanded in advance of the general meeting where it is to be put to the vote, or at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 63 2 A poll may be demanded by the chairman of the meeting, the directors, two or more persons having the right to vote on the resolution, or a person or persons representing at least one tenth of the total voting rights of all the shareholders having the right to vote on the resolution
- 63 3 A demand for a poll may be withdrawn if the poll has not yet been taken, and the chairman of the meeting consents to the withdrawal. A demand so withdrawn will not invalidate the result of a show of hands declared before the demand was made
- 63 4 Polls must be taken immediately and in such manner as the chairman of the meeting directs

64 **CONTENT OF PROXY NOTICES**

- 64 1 Proxies may only validly be appointed by a notice in writing (a **proxy notice**) which

- 64.1 1 states the name and address of the shareholder appointing the proxy,
- 64 1 2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed,
- 64 1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may decide, and
- 64 1 4 is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate,

unless the directors decide that an appointment which does not comply with one or more of these requirements should be accepted as a valid appointment

- 64 2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes. Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions
- 64 3 Unless a proxy notice indicates otherwise, it must be treated as
- 64 3 1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
- 64 3 2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself

65 **DELIVERY OF PROXY NOTICES**

- 65 1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it,

even though a valid proxy notice has been delivered to the company by or on behalf of that person

65 2 An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given

65 3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates

65 4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf

66 AMENDMENTS TO RESOLUTIONS

66 1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if

66 1 1 notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed at least 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may decide), and

66 1 2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution

66 2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if

66 2 1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

66 2 2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution

66 3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution

PART 6- ADMINISTRATIVE ARRANGEMENTS

67 MEANS OF COMMUNICATION TO BE USED

67 1 Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act provides for documents or information which are authorised or required by any provision of that act to be sent or supplied by or to the company Subject to the articles, the "company communications provisions" (as defined in section 1143 of the Companies Act) will apply where such documents or information are supplied by such means Without limitation, any document or information supplied by the company to a person as a member of the company under the articles or under the Companies Acts, may be supplied by being made available on a website (and such person will be taken to have agreed that the company may send

documents or information to him in that manner) provided the conditions and requirements of the Companies Act are met

- 67 2 Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being
- 67 3 Subject to the next article, anything sent or supplied by the company will be deemed to have been received (and will be treated as having been given)
- 67 3 1 if sent by the company by post, on the day following the day on which it was put in the post if first class post was used or 48 hours after it was posted in any other case (but in each case excluding any part of a day that falls on a Sunday or Bank holiday) and for this purpose it will be sufficient to prove that it was properly addressed, pre-paid and put in the post,
- 67 3 2 if left at an address (other than address for the purposes of communications by electronic means), when it was so left or sent,
- 67 3 3 if sent or supplied by electronic means (including by email), at the time it was sent or supplied and for this purpose it will be sufficient to prove that it was properly addressed,
- 67 3 4 if made available on a website, on the day on which it was first made available on the website or, if later, when a notice of availability is received or deemed to have been received pursuant to this article, and
- 67 3 5 if sent or supplied by any other means authorised in writing by the shareholder concerned when the company has carried out the action it has been authorised to take for that purpose

Anything sent or supplied to the company by a director or shareholder will be given when it is received by the company and deemed receipt will not apply.

- 67 4 A director may agree with the company that notices or documents sent to that director (whether or not supplied by the company) in a particular way are to be deemed to have been received within a specified time of their being sent Unless so agreed, articles 67 3.1 to 67 3 4 will apply Such notices or documents must be addressed to the director at the address given by him for the purpose (generally or specifically) or, if no such address has been given the address set out in the register of directors

68 COMPANY SEALS

- 68 1 Any common seal may only be used by the authority of the directors
- 68 2 The directors may decide by what means and in what form any common seal is to be used
- 68 3 Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature

- 68 4 For the purposes of this article, an authorised person is any director of the company, the company secretary (if any), or any person authorised by the directors to sign documents to which the common seal is applied

69 **NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS**

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

70 **PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS**

The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary

71 **OVERRIDING PROVISIONS**

- 71 1 Notwithstanding the provisions of these articles, the directors must, so far as may be permitted by law, act in all respects in accordance with and give effect to any relevant agreement.

- 71 2 Where the consent, approval or agreement of any shareholder or director is required under any provision of these articles to any particular matter, that consent, approval or agreement

71 2 1 may be given subject to such terms and conditions as that shareholder or director may impose and any breach of those terms and conditions will be deemed to be a breach of these articles, and

71 2 2 must be in writing, in English, and given in any form or by any means provided for in article 67

PART 7 - DIRECTORS' INDEMNITY AND INSURANCE

72 **INDEMNITY AND FUNDING OF PROCEEDINGS**

- 72 1 Subject to article 72 2 and without prejudice to the company's ability to indemnify or fund any person, a relevant director of the company or an associated company may

72 1 1 be indemnified out of the company's assets against any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust concerning the company or an associated company,

72 1 2 be indemnified out of the company's assets against any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act),

72 1 3 be indemnified out of the company's assets against any other liability incurred by that director as an officer of the company or an associated company, and

- 72 | 4 be provided with funds (by loan or otherwise) to meet or avoid expenditure in defending any criminal or civil proceedings or investigation or proceedings by a regulatory authority or in connection with an application for relief, in each case as permitted by sections 205 or 206 of the Companies Act
- 72 | 2 Articles 72 | 1 to 72 | 3 do 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
- 72 | 3 In this article
- 72 | 3 | 1 companies are **associated** if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- 72 | 3 | 2 a **relevant director** means any director or former director of the company or an associated company
- 73 **INSURANCE**
- 73 | 1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss
- 73 | 2 In this article:
- 73 | 2 | 1 a **relevant director** means any director or former director of the company or an associated company;
- 73 | 2 | 2 a **relevant loss** means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and
- 73 | 2 | 3 companies are **associated** if one is a subsidiary of the other or both are subsidiaries of the same body corporate