

Company number: 09811308

**PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTIONS**

**of
SPICE LABS LTD ("Company")**

Passed on 27 August 2019



Resolutions 1 and 2 below were duly passed by way of special written resolutions under Chapter 2 of Part 13 of the Companies Act 2006 on the date referred to above and Resolution 3 below was duly passed by way of an ordinary written resolution under Chapter 2 of Part 13 of the Companies Act 2006 on the date referred to above.

SPECIAL RESOLUTIONS

1. **THAT** the articles of association of the Company be amended by adopting the new articles of association appended to these resolutions ("**New Articles**") in substitution for the existing articles of association of the Company.
2. **THAT**, subject to the passing of the resolution 1 above and resolution 3 below, and in accordance with article 24.2 of the New Articles, the Directors be generally empowered to allot equity securities (as defined in section 560 of the Companies Act 2006) pursuant to the authority conferred by resolution 3 below, as if Article 24 of the New Articles did not apply to any such allotment, provided that this power shall:
 - Be limited to the allotment of equity securities up to an aggregate nominal amount of £0.10; and
 - Expire on the fifth anniversary of the date of this resolution (unless renewed, varied or revoked by the Company prior to or on that date) save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

ORDINARY RESOLUTION

3. **THAT**, subject to the passing of the resolution 1 and 3 above, in accordance with section 551 of the Companies Act 2006, the directors of the Company ("**Directors**") be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company ("**Rights**") up to an aggregate nominal amount of £0.10 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the fifth anniversary of the date of this resolution, save

that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This authority is in addition to all previous authorities conferred on the Directors in accordance with section 80 of the Companies Act 1985 or section 551 of the Companies Act 2006.

Grace Regan
Director

COMPANIES ACT 2006
ARTICLES OF ASSOCIATION OF A PRIVATE COMPANY LIMITED BY SHARES

SPICE LABS LTD

Registered company number: 09811308

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PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

1. Defined terms

1.1. In the articles, unless the context requires otherwise—

“acting in concert”	has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended).
“articles”	means the company’s articles of association;
“Bad Leaver”	<p>an Employee who ceases to be an Employee as a consequence of:</p> <ul style="list-style-type: none">• such person’s resignation as an Employee, except in circumstances which constitute a constructive, wrongful and/or unfair dismissal save in the case that unfair dismissal is as a result of a procedural defect; or• that person's dismissal as an Employee for cause, where "cause" shall mean: (i) the lawful termination of that person’s contract of employment or consultancy without notice or payment in lieu of notice as a consequence of that person’s misconduct or as otherwise permitted pursuant to the terms of that person’s contract of employment or consultancy; and/or (ii) that person's fair dismissal pursuant to section 98(2)(a) (capability) or 98(2)(b) (conduct) of the Employment Rights Act 1996.
“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;
“Board”	the board of directors of the Company;
“Business Day”	a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.

“chairman”	has the meaning given in article 12;
“chairman of the meeting”	has the meaning given in article 48.3;
“Companies Acts”	means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;
“Conflict”	has the meaning given in article 15.1;
“Deemed Transfer Notice”	a Transfer Notice that is deemed to have been served under any provision of these articles;
“Departing Employee”	an Employee who ceases to be a director or employee of, or consultant to, any Group Company and who does not continue as, or become, a director or employee of, or consultant to, any Group Company.
“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 40;
“document”	includes, unless otherwise specified, any document sent or supplied in electronic form;
“electronic form”	has the meaning given in section 1168 of the Companies Act 2006;
“Employee”	an individual (other than a Founder) who is, or has been, a director and/or an employee of, or who does provide or has provided consultancy services to, any Group Company.
“Fair Value”	in relation to shares, as determined in accordance with article 30;
“Family Trust”	as regards any particular Shareholder who is an individual (or deceased or former Shareholder who is an individual) any trust (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made, or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares in question is for the time being vested in any person other than the particular

Shareholder and/or any of the Privileged Relations of that Shareholder (and so that for this purpose a person shall be considered to be beneficially interested in a Share if such Share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of any such person or any voting or other rights attaching thereto are exercisable by or as directed by any such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons).

"Founder"	Grace Regan.
"fully paid"	in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;
"Good Leaver"	an Employee who ceases to be an Employee and who is not a Bad Leaver and shall include, without limitation, when the Directors determine that a person is not a Bad Leaver.
"Group"	the Company, any subsidiary or any holding company from time to time of the Company, and any subsidiary from time to time of a holding company of the Company from time to time and "Group Company" shall be construed accordingly.
"hard copy form"	has the meaning given in section 1168 of the Companies Act 2006;
"holder"	in relation to shares means the person whose name is entered in the register of members as the holder of the shares;
"instrument"	means a document in hard copy form;
"Interested Director"	has the meaning given in article 15.1;
"Issue Price"	in respect of any Share, the subscription price paid (or agreed to be paid) in respect of that Share, including any share premium.
"Member of the Same"	as regards any company, a company which is from time to

Group	time a holding company or a subsidiary of that company or a subsidiary of any such holding company.
"ordinary resolution"	has the meaning given in section 282 of the Companies Act 2006;
"Original Shareholder"	has the meaning given in article 27.1.
"paid"	means paid or credited as paid;
"participate"	in relation to a directors' meeting, has the meaning given in article 10;
"Permitted Transfer"	a transfer of Shares made in accordance with article 27.
"Permitted Transferee"	in relation to: <ul style="list-style-type: none"> • a Shareholder who is an individual, any of his Privileged Relations or the trustee(s) of a Family Trust; • a Shareholder which is a company, a Member of the Same Group as that company.
"Privileged Relation"	in relation to a Shareholder who is an individual (or a deceased or former Shareholder who is an individual) means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue).
"proxy notice"	has the meaning given in article 54;
"Relevant Shares"	in relation to an Employee means all Shares held by: <ul style="list-style-type: none"> • the Employee in question; and • any Permitted Transferee of that Employee; and including any Shares acquired by any such person after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice.
"shareholder"	means a person who is the holder of a share;
"shares"	means shares in the company;
"special resolution"	has the meaning given in section 283 of the Companies Act 2006;
"subsidiary"	has the meaning given in section 1159 of the Companies Act 2006;

“Termination Date”

- where employment ceases by virtue of notice given by the employer to the Employee, the date on which notice of termination was served;
- where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;
- where an Employee dies, the date of his death;
- where the Employee concerned is a director but not an employee, the date on which his service agreement (or other terms of appointment) with the relevant Group Company is terminated; or
- in any other case, the date on which the employment or holding of office is terminated.

“transmittee”

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

“Valuers”

the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the Company and the Seller or, in the absence of agreement between the Company and the Seller on the identity of the expert within 10 Business Days, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants in England and Wales (in each case acting as an expert and not as an arbitrator);

“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.

- 1.2. Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

2. Liability of members

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

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

3. 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.

4. Shareholders' reserve power

- 4.1. The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.
- 4.2. No such special resolution invalidates anything which the directors have done before the passing of the resolution.

5. Directors may delegate

- 5.1. Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles—
 - (a) to such person or committee;
 - (b) by such means (including by power of attorney);
 - (c) to such an extent;
 - (d) in relation to such matters or territories; and
 - (e) on such terms and conditions;as they think fit.
- 5.2. If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- 5.3. The directors may revoke any delegation in whole or part, or alter its terms and conditions.

6. Committees

- 6.1. 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.
- 6.2. 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.

PART 3

DECISION-MAKING BY DIRECTORS

7. Directors to take decisions collectively

7.1. The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.

7.2. If—

- (a) the company only has one director for the time being, and
- (b) no provision of the articles requires it to have more than one director, the general rule does not apply, and the director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

8. Unanimous decisions

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

8.2. Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing.

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

9. Calling a directors' meeting

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

9.2. Notice of any directors' meeting must indicate—

- (a) its proposed date and time;
- (b) where it is to take place; and
- (c) 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.

9.3. Notice of a directors' meeting must be given to each director in writing.

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

10. Participation in directors' meetings

- 10.1. Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when—
- (a) the meeting has been called and takes place in accordance with the articles, and
 - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 10.2. In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 10.3. 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.

11. Quorum for directors' meetings

- 11.1. At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 11.2. Subject to article 11.3, the quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.
- 11.3. If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—
- (a) to appoint further directors, or
 - (b) to call a general meeting so as to enable the shareholders to appoint further directors.
- 11.4. For the purposes of any meeting (or part of a meeting) held pursuant to article 15 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.

12. Chairing of directors' meetings

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

13. Casting vote

- 13.1. If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall not have a casting vote.

14. Director's Interests

14.1. Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Companies Act 2006 and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested;
- (b) shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
- (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- (d) may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested; and
- (f) shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Companies Act 2006)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Companies Act 2006.

15. Conflicts of interest

15.1. The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an "**Interested Director**") breaching his duty under section 175 of the Companies Act 2006 to avoid conflicts of interest ("**Conflict**").

15.2. Any authorisation under this article 15 will be effective only if:

- (a) to the extent permitted by the Companies Act 2006, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested director; and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested director's vote had not been counted.

15.3. Any authorisation of a Conflict under this article 15 may (whether at the time of giving the authorisation or subsequently):

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
- (c) provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose that information to the company, or to use it in relation to the company's affairs where to do so would amount to a breach of that confidence; and
- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.

15.4. Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.

15.5. The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.

15.6. A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

16. Records of decisions to be kept

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

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

17. 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.

PART 4

APPOINTMENT OF DIRECTORS

18. Methods of appointing directors

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

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

18.2. In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.

18.3. For the purposes of article 18.2, where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

19. Termination of director's appointment

A person ceases to be a director as soon as—

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) notification is received by the company from the director that the director *is resigning from office, and such resignation has taken effect in accordance with its terms.*

20. Directors' remuneration

20.1. Directors may undertake any services for the company that the directors decide.

20.2. Directors are entitled to such remuneration as the directors determine—

- (a) for their services to the company as directors, and
- (b) for any other service which they undertake for the company.

20.3. Subject to the articles, a director's remuneration may—

- (a) take any form, and
- (b) 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.

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

20.5. Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

21. Directors' expenses

21.1. The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at—

- (a) meetings of directors or committees of directors,
- (b) general meetings, or
- (c) 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.

PART 5

SHARES AND DISTRIBUTIONS

SHARES

22. All shares to be fully paid up

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

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

23. Powers to issue different classes of share

23.1. Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.

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

24. Pre Emption Rights on the Issue of new Shares

- 24.1. In accordance with section 567(1) of the Companies Act 2006, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the company.
- 24.2. Unless otherwise agreed by special resolution, if the Company proposes to allot any equity securities those equity securities shall not be allotted to any person unless the Company has first offered them to all Shareholders on the date of the offer on the same terms, and at the same price, as those equity securities are being offered to other persons on a pari passu and pro rata basis to the number of Shares held by those holders (as nearly as possible without involving fractions). The offer:
- (a) shall be in writing, shall be open for acceptance for a period of 10 days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities; and
 - (b) may stipulate that any Shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess equity securities ("**Excess Securities**") for which he wishes to subscribe.
- 24.3. Any equity securities not accepted by shareholders pursuant to the offer made to them in accordance with Article 24.2 shall be used for satisfying any requests for Excess Securities made pursuant to Article 24.2. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants pro rata to the number of shares held by the applicants immediately before the offer was made to shareholders in accordance with Article 24.2 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any shareholder beyond that applied for by him). After that allotment, any Excess Securities remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the shareholders.
- 24.4. Completion of the issue of any Shares under this article 24 shall take place on the date falling 5 Business Days after the Shareholders have been notified of the number of Shares to be allotted to them (including any Excess Shares) (the "**Issue Date**"). On or before the Issue Date each Shareholder shall make payment in cleared funds to such account as is notified by the Company for the full amount of the Shares to be issued.
- 24.5. Subject to Articles 24.2 and 24.3 and to section 551 of the Act, any equity securities shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.
- 24.6. No shares shall be allotted to any employee, director, prospective employee or director unless such person has entered into a joint election with the company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

25. Payment of Commissions on Subscription for Shares

- 25.1. The Company may pay any person a commission in consideration for that person:
- (a) subscribing, or agreeing to subscribe, for Shares, or
 - (b) procuring, or agreeing to procure, subscriptions for Shares.

- 25.2. Any such commission may be paid:
- (a) in cash or in fully Paid Shares or other securities, or partly in one way and partly in the other, and
 - (b) in respect of a conditional or an absolute subscription.

26. Share transfers: General

- 26.1. In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share or the creation of a trust or encumbrance over that Share or the renunciation or assignment of any rights to receive or subscribe for that Share, and reference to a Share includes both a legal and a beneficial or other interest in a Share unless otherwise indicated, **BUT IT DOES NOT INCLUDE**, in situations where the shareholder subscribed for or purchased the Share as nominee for one or more beneficial owners:
- (a) the transfer, assignment or other disposal of a beneficial or other interest in, or the creation of a trust or encumbrance over or the renunciation or assignment of any rights to receive or subscribe for a beneficial or other interest in, a Share provided that the nominee that holds a legal interest in such Share remains the same; or
 - (b) the transfer, assignment or other disposal of a legal interest in, or the creation of a trust or encumbrance over or the renunciation or assignment of any rights to receive or subscribe for a legal interest in, a Share from the nominee to any person who has a beneficial or other interest in that Share, provided that notice of such transfer is given to the Company.
- 26.2. No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles. Subject to article 26.5, the Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent.
- 26.3. If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall, unless the Board determines otherwise, be deemed to have immediately served a Transfer Notice in respect of all Shares held by him.
- 26.4. Any transfer of a Share by way of sale which is required to be made under article 27, article 29 or article 31 shall be deemed to include a warranty that the transferor sells the Share with full title guarantee.
- 26.5. The Directors may, as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed, in favour of the Company agreeing to be bound by the terms of any shareholders' agreement (or similar document) in force between any of the Shareholders and the Company, in such form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor). If any condition is imposed in accordance with this article 26.5, the transfer may not be registered unless and until that deed has been executed and delivered to the Company's registered office by the transferee.
- 26.6. To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may require:

- (a) any holder (or the legal representatives of a deceased holder); or
 - (b) any person named as a transferee in a transfer lodged for registration; or
 - (c) *such other person as the Directors or an Investor Director may reasonably believe to have information relevant to that purpose,*
- to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose.

26.7. Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that:

- (a) it does not contain a Minimum Transfer Condition; and
- (b) the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice).

26.8. Any Transfer Notice (but not any offer notice served pursuant to article 31) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of a Deemed Transfer Notice.

27. Permitted Transfers of Shares

27.1. A Shareholder (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee.

27.2. Where Shares are held by the trustee(s) of a Family Trust, the trustee(s) may transfer Shares to:

- (a) the Original Shareholder;
- (b) any Privileged Relation(s) of the Original Shareholder;
- (c) subject to article 27.3, the trustee(s) of another Family Trust of which the Original Shareholder is the Settlor; or
- (d) subject to article 27.3, to the new (or remaining) trustee(s) upon a change of trustee(s) of a Family Trust,

without any price or other restriction.

27.3. A transfer of Shares may only be made to the trustee(s) of a Family Trust if the Board is satisfied:

- (a) with the terms of the trust instrument and, in particular, with the powers of the trustee(s);
- (b) with the identity of the proposed trustee(s);
- (c) that the proposed transfer will not result in 50% or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and
- (d) that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company.

27.4. If the Original Shareholder is a company, and a Permitted Transfer has been made, the Permitted Transferee shall, within 10 Business Days of ceasing to be a Member of the Same Group as the Original Shareholder, transfer the Shares held by it to:

- (a) the Original Shareholder; or

(b) a Member of the Same Group as the Original Shareholder, (which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this article 27.4, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this article 27.4.

27.5. If the Original Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, the Permitted Transferee (or the transmittee(s) of any such person), shall within 10 Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death, divorce or otherwise) either:

(a) execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or

(b) give a Transfer Notice to the Company in accordance with article 28, failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this article 27.5. This article 27.5 shall not apply to a transmittee of a Permitted Transferee if that transmittee is also a Permitted Transferee of the Original Shareholder, to the extent that such transmittee is legally or beneficially entitled to those Shares.

27.6. Notwithstanding any other provision of this article 27, a transfer of any Shares approved by the Directors may be made without any price or other restriction and any such transfer shall be registered by the Directors.

28. Pre Emption Rights on the Transfer of Shares

28.1. Except where the provisions of article 27 or article 31 apply, any transfer of shares by a shareholder shall be subject to the pre-emption rights in this Article.

28.2. A shareholder ("**Seller**") wishing to transfer its shares ("**Sale Shares**") must give notice in writing (a "**Transfer Notice**") to the Company giving details of the proposed transfer including:

- (a) the number and class of Sale Shares;
- (b) if the Seller wishes to sell the Sale Shares to a third party, the name of the proposed buyer;
- (c) the price (in cash) at which the Seller wishes to sell the Sale Shares (which will be deemed to be Fair Value of the Sale Shares if no cash price can be agreed between the Seller and the Board ("**Transfer Price**")); and
- (d) whether the Transfer Notice is conditional on all, or a specific number of, the Sale Shares being sold to shareholders ("**Minimum Transfer Condition**").

28.3. Except in the case of a Deemed Transfer Notice (which may not be withdrawn), where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair Value less than the Proposed Sale Price the Seller may, within 5 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice. Otherwise, a Transfer Notice (once given) may only be withdrawn with the consent of the Board.

- 28.4. A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of these Articles.
- 28.5. As soon as practicable following the following the later of (i) receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served); and (ii) the determination of the Transfer Price, the Board shall offer the Sale Shares for sale in the manner set out in the remaining provisions of this Article at the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.
- 28.6. The Board shall offer the Sale Shares to all shareholders other than the Seller (the "**Continuing Shareholders**"), inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (the "**Offer Period**") for the maximum number of Sale Shares they wish to buy.
- 28.7. If the Sale Shares are subject to a Minimum Transfer Condition, any allocation made under article 28.8 shall be conditional on the fulfilment of the Minimum Transfer Condition.
- 28.8. If:
- (a) at the end of the Offer Period, the total number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion which the Continuing Shareholder's existing holding of shares bears to the total number of shares held by those other Continuing Shareholders who have applied for Sale Shares. Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case the allocation of any such fractional entitlements among the Continuing Shareholders who have applied for Sale Shares shall be determined by the Board). No allocation shall be made to a Continuing Shareholder of more than the maximum number of Sale Shares which it has stated it is willing to buy;
 - (b) not all Sale Shares are allocated following allocations in accordance with Article 28.8(a), but there are applications for Sale Shares that have not been satisfied, the Board shall allocate the remaining Sale Shares to such applicant(s) in accordance with the procedure set out in Article 28.8(a). The procedure set out in this Article 28.8(b) shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied;
 - (c) at the end of the Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications. The balance (the "**Initial Surplus Shares**") shall be offered to the Company to buy back at the Transfer Price, subject always to the requirements of the Companies Act 2006. The Company shall confirm in writing within 5 Business Days of the offer being made, the number of Initial Surplus Shares

(if any) it wishes to buy back and the Board shall (subject to compliance with the requirements of the Companies Act 2006), allocate such number of the Initial Surplus Shares to the Company;

- (d) at the end of the Offer Period and following the offer having been made to the Company pursuant to Articles 28.8(c) above, not all of the Sale Shares have been allocated pursuant articles 28.8(a) and 28.8 (c), the balance (the "**Second Surplus Shares**") shall be dealt with in accordance with article 28.13.

28.9. If the Transfer Notice includes a Minimum Transfer Condition and the total number of Sale Shares applied for is less than the number of Sale Shares specified in the Minimum Transfer Condition, the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under article 28.8, stating that the Minimum Transfer Condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

28.10. If:

- (a) the Transfer Notice includes a Minimum Transfer Condition and such Minimum Transfer Condition has been satisfied, or the Transfer Notice does not include a Minimum Transfer Condition; and
- (b) allocations under article 28.8 have been made in respect of some or all of the Sale Shares,

the Board shall give written notice of allocation (an "**Allocation Notice**") to the Seller and each Continuing Shareholder to whom Sale Shares have been allocated (each an "**Applicant**"). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant, the amount payable by each Applicant for the number of Sale Shares allocated to them ("**Consideration**") and the place and time for completion of the transfer of the Sale Shares (which shall be at least 5 Business Days, but not more than 15 Business Days, after the date of the Allocation Notice).

28.11. On the date specified for completion in the Allocation Notice, the Seller shall, against payment of the Consideration, execute and deliver a transfer of the Sale Shares allocated to such Applicant, in accordance with the requirements specified in the Allocation Notice.

28.12. If the Seller fails to comply with article 28.11:

- (a) the chairman of the Company (or, failing the chairman, one of the other directors, or some other person nominated by a resolution of the Board) may, as agent on behalf of the Seller:
 - i. complete, execute and deliver in the Seller's name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - ii. receive the Consideration and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Consideration); and

- iii. (subject to the transfers being duly stamped) enter the Applicants in the register of members as the holders of the Sale Shares purchased by them; and

(b) the Company shall pay the Consideration into a separate bank account in the Company's name on trust (but without interest) for the Seller until the Seller has delivered its certificate(s) for the relevant Sale Shares or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate, together, in either case, with such other evidence (if any) as the Board may reasonably require to prove good title to those Sale Shares, to the Company.

28.13. If an Allocation Notice does not relate to all of the Sale Shares or the Transfer Notice lapses pursuant to article 28.9 then, subject to article 28.14 and within 8 weeks following service of the Allocation Notice or the date of the lapse of the Transfer Notice (as the case may be), the Seller may transfer the Second Surplus Shares or the Sale Shares (in the case of a lapsed offer) (as the case may be) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this article 28.13 shall continue to be subject to any Minimum Transfer Condition.

28.14. The Seller's right to transfer Sale Shares under article 28.13 does not apply if the Board reasonably considers that:

- (a) the transferee is a person (or a nominee for a person) who is a competitor with (or an associate of a competitor with) the business of the Company or with a subsidiary of the Company; or
- (b) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
- (c) the Seller has failed or refused to provide promptly information available to the Seller and reasonably requested by the Board to enable it to form the opinion mentioned above.

29. Compulsory Transfers

29.1. Subject to article 29.5, if any Shares remain registered in the name of a deceased Shareholder for longer than one year after the date of his death, the Directors may require the legal personal representatives of that deceased Shareholder either:

- (a) to effect a transfer of those Shares; or
- (b) to show, to the satisfaction of the Directors, that a transfer will be effected before (or promptly on) the completion of the administration of the estate of the deceased Shareholder.

If either article 29.1(a) or 29.1(b) is not fulfilled to the satisfaction of the Directors, a Deemed Transfer Notice shall be deemed to have been given in respect of such Shares on such date as the Directors determine.

29.2. Subject to article 29.5, a person entitled to a Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer notice in respect of that Share at such time as the Board may determine.

- 29.3. Subject to article 29.5, if a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or suffers or takes any equivalent action in any jurisdiction outside England and Wales, that Shareholder shall be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the Board may determine.
- 29.4. Subject to article 29.5, if there is a change in control (as 'control' is defined in section 1124 of the Corporation Tax Act 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its name (or the name of its nominee(s)) save that, where that Shareholder acquired Shares as a Permitted Transferee of an Original Shareholder, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee of that Original Shareholder before being required to serve a Transfer Notice.
- 29.5. Where a Shareholder holds a legal interest in a Share on behalf of another person and the Company is on notice of such arrangement, the provisions of articles 29.1 to 29.4 inclusive shall not apply to such Shareholder, and instead if such a Shareholder suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it (or a material part of its business) or enters into a composition or arrangement with its creditors generally, then:
- (a) if the Shareholder notifies the Company of its intention to transfer the legal interest in the relevant Shares within one month from the date of such appointment or composition or arrangement, then the Company shall, together with such Shareholder, take such steps as may be reasonably be required to effect such a transfer of the legal interest of the relevant Shares; and
 - (b) if the Shareholder fails to notify the Company in accordance with article 29.5(a), then a Deemed Transfer Notice shall be deemed to have been given in respect of such Shares on such date as the Directors determine.
- 29.6. If an Employee becomes a Departing Employee a Transfer Notice shall, unless the Board otherwise directs in writing in respect of any particular Relevant Shares prior to or within 20 Business Days after the relevant Termination Date, be deemed to have been served on the relevant Termination Date in respect of all Relevant Shares (a "**Compulsory Employee Transfer**") and any Transfer Notice served in respect of any of such Relevant Shares before the date such Employee becomes a Departing Employee shall automatically lapse.
- 29.7. Notwithstanding any other provisions of these Articles, the Transfer Price in respect of a Compulsory Employee Transfer shall, where the Departing Employee is:
- (a) a Bad Leaver, be restricted to a maximum of the lower of the aggregate Issue Price of such Sale Shares and the aggregate Fair Value of such Sale Shares; and
 - (b) a Good Leaver, be the aggregate Fair Value of such Sale Shares.

30. Valuation

- 30.1. The Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Company and the Seller in writing of their determination.
- 30.2. The Fair Value for any Sale Share shall be the price per share determined in writing by the Valuers on the following bases and assumptions:
- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served);
 - (b) *if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;*
 - (c) that the Sale Shares are capable of being transferred without restriction;
 - (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and
 - (e) reflecting any other factors which the Independent Expert reasonably believes should be taken into account.
- 30.3. The shareholders are entitled to make submissions to the Valuers and will provide (or procure that the Company provides) the Valuers with such assistance and documents as the Valuers reasonably require for the purpose of reaching a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the shareholders may reasonably require.
- 30.4. To the extent not provided for by this article 30, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate.
- 30.5. The Valuers shall act as expert and not as arbitrator and their written determination shall be final and binding on the shareholders in the absence of manifest error or fraud.
- 30.6. The cost of obtaining the Valuers' valuation shall be borne by the Company and the Seller equally or in such other proportions as the Valuers direct.

31. Tag Along and Drag Along

- 31.1. In the event that any Shareholder(s) (the "**Selling Shareholders**") propose to sell the legal or beneficial interests in their shares which would result in the proposed buyer (the "**Offeror**"), and any person acting in concert with the Offeror, acquiring in excess of 50% of the shares in the Company, the remaining Shareholders (the "**Remaining Shareholders**") shall have the right to require that the Selling Shareholders procure that the Offeror offers to purchase all their Shares at the same price and otherwise on the same terms offered to the Selling Shareholders (the "**Tag Along Right**").
- 31.2. The Tag Along Right may be exercised by the Remaining Shareholders serving notice to that effect on the Selling Shareholders at any time not less than 14 days prior to the date on which the Selling Shareholders sell their shares to the Offeror. A Tag Along

Right once exercised shall be irrevocable but shall lapse (and the obligations thereunder shall lapse) in the event that for any reason the Selling Shareholders do not transfer such shares to the Offeror. Upon the exercise of the Tag Along Right, the Remaining Shareholders shall be bound to accept the offer made to them in respect of their entire holding of Shares and to comply with the obligations assumed by virtue of such acceptance.

31.3. In the event that any Shareholder(s) (the **"Selling Shareholders"**) propose to sell the legal or beneficial interests in more than 50% of the issued share capital of the Company to a bona fide third party proposed purchaser (the **"Offeror"**), the Selling Shareholders and/or the Offeror may require the Remaining Shareholders to sell and transfer all their Shares to the Offeror (or as the Offeror directs) at the same price and otherwise on the same terms offered to the Selling Shareholders (the **"Drag Along Right"**).

31.4. The Selling Shareholders or the Offeror may exercise the Drag Along Right by serving notice to the Remaining Shareholders at any time not less than 14 days prior to the date on which the Selling Shareholders sell their shares to the Offeror. A Drag Along Right once exercised shall be irrevocable but shall lapse (and the obligations thereunder shall lapse) in the event that for any reason the Selling Shareholders do not transfer such shares to the Offeror. Upon the exercise of the Drag Along Right, the Remaining Shareholders shall be bound to accept the offer made to them in respect of their entire holding of Shares and to comply with the obligations assumed by virtue of such acceptance.

31.5. If any Shareholder does not, on completion of the sale of Shares pursuant to this article, deliver share certificates and execute transfer(s) in respect of all of the Shares held, the defaulting Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be their agent and attorney to execute all necessary transfer(s) on their behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Shares, and deliver such transfer(s) to the Offeror (or as they may direct) as the holder thereof. After the Offeror (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this article.

32. Company not bound by less than absolute interests

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

33. Share certificates

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

33.2. Every certificate must specify—

- (a) in respect of how many shares, of what class, it is issued;

- (b) the nominal value of those shares;
- (c) that the shares are fully paid; and
- (d) any distinguishing numbers assigned to them.

33.3. No certificate may be issued in respect of shares of more than one class.

33.4. If more than one person holds a share, only one certificate may be issued in respect of it.

33.5. Certificates must—

- (a) have affixed to them the company's common seal, or
- (b) be otherwise executed in accordance with the Companies Acts.

34. Replacement share certificates

34.1. If a certificate issued in respect of a shareholder's shares is—

- (a) damaged or defaced, or
- (b) said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.

34.2. A shareholder exercising the right to be issued with such a replacement certificate—

- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;
- (b) must return the certificate which is to be replaced to the company if it is damaged or defaced; and
- (c) must comply with such conditions as to evidence and indemnity as the directors decide.

35. Transmission of shares

35.1. If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.

35.2. A transmittee who produces such evidence of entitlement to shares as the directors may properly require—

- (a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and
- (b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

35.3. 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 otherwise, unless they become the holders of those shares.

36. Exercise of transmittees' rights

36.1. Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.

36.2. If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

36.3. 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 transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

37. Transmittees bound by prior notices

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

38. Purchase of Own Shares

Subject to the Companies Act 2006, but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Companies Act 2006, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:

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

PART 6

DIVIDENDS AND OTHER DISTRIBUTIONS

39. Procedure for declaring dividends

39.1. The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

39.2. 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.

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

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

39.5. For so long as 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.

39.6. 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.

39.7. 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.

40. Payment of dividends and other distributions

40.1. 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—

- (a) transfer to a bank or building society account specified by the distribution recipient in writing;
- (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient in writing;
- (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified in writing;
- (d) by crediting the amount to an on demand loan account with the company in the name of the distribution recipient; or
- (e) any other means of payment as the directors agree with the distribution recipient in writing.

40.2. In the articles, the “**distribution recipient**” means, in respect of a share in respect of which a dividend or other sum is payable—

- (a) the holder of the share; or
- (b) if the share has two or more joint holders, whichever of them is named first in the register of members; or
- (c) if the holder is no longer entitled to the share by reason of death or otherwise by operation of law, the transmittee.

41. No interest on distributions

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

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

42. Unclaimed distributions

42.1. All dividends or other sums which are—

- (a) payable in respect of shares, and
- (b) 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.

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

42.3. If—

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
- (b) 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.

43. Non-cash distributions

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

43.2. 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—

- (a) fixing the value of any assets;
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
- (c) vesting any assets in trustees.

44. Waiver of distributions

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

- (a) the share has more than one holder, or
- (b) more than one person is entitled to the share, whether by reason of the death 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.

PART 7

CAPITALISATION OF PROFITS

45. Authority to capitalise and appropriation of capitalised sums

45.1. Subject to the articles, the directors may, if they are so authorised by an ordinary resolution—

- (a) 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
- (b) 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.

- 45.2. Capitalised sums must be applied—
(a) on behalf of the persons entitled, and
(b) in the same proportions as a dividend would have been distributed to them.
- 45.3. 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.
- 45.4. 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.
- 45.5. Subject to the articles the directors may—
(a) apply capitalised sums in accordance with articles 45.3 and/or 45.4 partly in one way and partly in another;
(b) 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
(c) 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 8

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

46. Attendance and speaking at general meetings

- 46.1. 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.
- 46.2. A person is able to exercise the right to vote at a general meeting when—
(a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
(b) 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.
- 46.3. 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.
- 46.4. In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 46.5. Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

47. Quorum for general meetings

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

48. Chairing general meetings

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

48.2. 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—

- (a) the directors present, or
- (b) (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.

48.3. The person chairing a meeting in accordance with this article is referred to as “**the chairman of the meeting**”.

49. Attendance and speaking by directors and non-shareholders

49.1. Directors may attend and speak at general meetings, whether or not they are shareholders.

49.2. The chairman of the meeting may permit other persons who are not –

- (a) shareholders of the company, or
- (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting.

50. Adjournment

50.1. 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.

50.2. The chairman of the meeting may adjourn a general meeting at which a quorum is present if—

- (a) the meeting consents to an adjournment, or
- (b) 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.

50.3. The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

50.4. When adjourning a general meeting, the chairman of the meeting must—

- (a) 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
- (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

50.5. If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—

- (a) to the same persons to whom notice of the company's general meetings is required to be given, and
- (b) containing the same information which such notice is required to contain.

50.6. 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.

PART 9

VOTING AT GENERAL MEETINGS

51. Voting: general

51.1. 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.

51.2. At a general meeting, on a show of hands every shareholder who is present in person or by proxy shall have one vote, unless the proxy is himself a shareholder entitled to vote; on a poll, every shareholder present in person or by proxy shall have one vote for each share of which he is the holder; and on a vote on a written resolution, every shareholder has one vote for each share of which he is the holder.

52. Errors and disputes

52.1. 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.

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

53. Poll votes

53.1. A poll on a resolution may be demanded—

- (a) in advance of the general meeting where it is to be put to the vote, or
- (b) 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.

53.2. A poll may be demanded by—

- (a) the chairman of the meeting;

- (b) the directors;
- (c) two or more persons having the right to vote on the resolution; or
- (d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.

53.3. A demand for a poll may be withdrawn if—

- (a) the poll has not yet been taken, and
- (b) the chairman of the meeting consents to the withdrawal.

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

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

54. Content of proxy notices

54.1. Proxies may only validly be appointed by a notice in writing (a “**proxy notice**”) which—

- (a) states the name and address of the shareholder appointing the proxy;
- (b) identifies the person appointed to be that shareholder’s proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
- (d) is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate, and a proxy notice which is not delivered in such manner shall be invalid.

54.2. The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

54.3. Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

54.4. Unless a proxy notice indicates otherwise, it must be treated as—

- (a) 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
- (b) 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.

55. Delivery of proxy notices

55.1. 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.

55.2. 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.

55.3. 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.

55.4. 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.

56. Amendments to resolutions

56.1. An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—

- (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
- (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

56.2. A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—

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

56.3. 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 10

ADMINISTRATIVE ARRANGEMENTS

57. Means of communication to be used

57.1. Subject to article 57.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- (b) if sent by fax, at the time of transmission; or
- (c) if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or

- (d) if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting; or
- (e) if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- (f) if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied; or
- (g) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website; and
- (h) if deemed receipt under the previous paragraphs of this article 57.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt.

For the purposes of this article, all references to time are to local time in the place of deemed receipt.

57.2. To prove service, it is sufficient to prove that:

- (a) if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
- (b) if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
- (c) if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or
- (d) if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

58. Company seals

58.1. Any common seal may only be used by the authority of the directors.

58.2. The directors may decide by what means and in what form any common seal is to be used.

58.3. 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.

58.4. For the purposes of this article, an authorised person is—

- (a) any director of the company;
- (b) the company secretary (if any); or
- (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

59. No right to inspect accounts and other records

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

60. 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.

PART 11

DIRECTORS' INDEMNITY AND INSURANCE

61. Indemnity

61.1. Subject to article 61.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs; and
- (b) the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any *proceedings or application referred to in article 61.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.*

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

61.3. In this article:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- (b) a "**relevant officer**" means any director or other officer of the company or an associated company (including any company which is a trustee of an

occupational pension scheme (as defined by section 235(6) of the Companies Act 2006.

62. Insurance

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

62.2. In this article:

- (a) a "**relevant officer**" means any director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor);
- (b) a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company; and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.