

**THE COMPANIES ACT 2006**

**WRITTEN RESOLUTION**

**- of -**

**Nextup Comedy Ltd (the "Company")**

**Company Number: 09940291**

**PRIVATE COMPANY LIMITED BY SHARES**

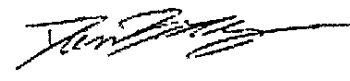
**ADOPTION OF NEW ARTICLES OF ASSOCIATION**

We the undersigned, being all the members of the Company who at the date of this resolution are entitled to attend and vote at general meetings of the Company, hereby unanimously resolve upon the following resolution and agree that it shall be as valid and effective as if it had been passed as a special resolution at a general meeting of the Company duly convened and held.

**THAT** the existing articles of association in their entirety be removed and substituted for the new articles of association attached to this resolution.

DATED: 19th May 2016

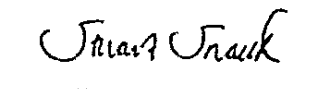
SIGNED:



Daniel Berg, Director



David Cavey, Director



Stuart Snaith, Director



Sarah Bennett, Director

FRIDAY



**THE COMPANIES ACT 2006**

**A PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

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(Adopted by special resolution on 19<sup>th</sup> May 2016)  
of

**NEXTUP COMEDY LTD**

**(Company Number 09940291)**

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**A PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**(adopted by special resolution on 2016)**

**-of-**

**NEXTUP COMEDY LTD**

**1 APPLICATION OF MODEL ARTICLES AND DEFINITIONS**

**1 1** The model articles of association for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulation 2008 (SI 2008/3229) as amended at the date of adoption of these articles (the **"Model Articles"**) shall apply to the Company save in so far as they are excluded or modified by these Articles.

**1 2** In these Articles the following words and expressions shall have the following meanings unless the context otherwise requires:

<b>Act</b>	the Companies Act 2006 and every statutory modification or re-enactment thereof for the time being in force;
<b>Adoption Date</b>	the date of the adoption of these Articles by the Company,
<b>Auditors</b>	the auditors of the Company or the duly appointed reporting accountants of the Company from time to time;
<b>Board</b>	the board of Directors from time to time;
<b>Business Day</b>	a day other than a Saturday or Sunday or public holiday in England;
<b>Connected</b>	as defined by Section 1122 of the Corporation Tax Act 2010, provided however that any determination of facts as to whether two or more persons acting together shall, in the absence of any ruling by HM Revenue and Customs, be made by the tax advisers appointed by the Directors acting as experts and not as arbitrators and whose decision from time to time shall be final and binding on the Company and Members;
<b>Deemed Transfer Notice</b>	as defined in Article 11.2;
<b>Director</b>	a duly appointed director of the Company from time to time and <b>"Directors"</b> shall be construed accordingly;
<b>Eligible Director</b>	a Director who would be entitled to vote on a matter at a meeting of the Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter) and references to eligible directors in Article 8 of the Model Articles shall be construed accordingly;
<b>Fair Value</b>	means as agreed between the Board and the Member whose Shares are subject of the Deemed Transfer Notice or, in the absence of agreement within 21 days of the Transfer Event, by the Auditors in accordance with Articles 7.3, 7.4, 7.5 and 7.15 or such other

	independent firm of chartered accountants appointed with the agreement of the Company;
<b>Family Member</b>	means the wife or husband (or widow or widower), parents, children and grandchildren (including step and adopted children and grandchildren) of a member of the Company;
<b>Family Trust</b>	means, in relation to a member of the Company, a trust (including but not limited to a trust established for the purpose or benefit of a member's SIPP) which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that member or any of his Family Members and under which no power of control over the voting powers conferred by any Shares the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such member or any of his Family Members;
<b>Group</b>	means the Company and its subsidiary undertakings from time to time and any holding company of the Company;
<b>Member</b>	a registered holder of an issued Share from time to time, as recorded in the register of members of the Company;
<b>Prescribed Price</b>	the price per Sale Share determined pursuant to Articles 7.3 and 7.4,
<b>Proposing Transferor</b>	as defined in Article 7.1,
<b>Purchaser</b>	the Members to whom Sale Shares have been offered in accordance with Articles 7.7 and 7.8 and who have accepted that offer and "Purchaser" shall be construed accordingly;
<b>Relevant Securities</b>	any Shares, or any right to subscribe for or convert any securities into any Shares;
<b>Sale Shares</b>	all Shares comprised in a Transfer Notice;
<b>Shares</b>	the ordinary shares of £0.01 each in the share capital of the Company having the rights and being subject to the restrictions set out in these Articles;
<b>Third Party Purchaser</b>	any person (or persons acting in concert) who is not a Member or is not Connected with a Member; and
<b>Transfer Notice</b>	a written notice served by a Member on the Company in accordance with Article 7.

### 1.3 In these Articles a reference to:

- 1.3.1 a statutory provision includes a reference to the statutory provision as replaced, modified or re-enacted from time to time before or after the date of these Articles and any subordinate legislation made under the statutory provision before or after the date of these Articles,

1.3.2 a person includes a reference to an individual, body corporate, association, government, state, agency of state or any undertaking (whether or not having a legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists); and

1.3.3 "Articles" is to these articles of association (including the provisions of the Model Articles incorporated herein), and a reference to an "Article" is to an article of these Articles, in each case as amended from time to time in accordance with the terms of these Articles and the Act.

1 4 The contents table and headings in these Articles are for convenience only and do not affect their interpretation

## **2. COMPANY CONSTITUTION**

2.1 The name of the Company is NextUp Comedy Ltd

2.2 The registered office of the Company is in England.

2 3 The liability of members is limited.

## **3. SHARE CAPITAL – DISTRIBUTIONS, RETURN OF CAPITAL AND VOTING**

3.1 The Company shall apply any profits which the Directors resolve to distribute in any financial year to the holders of the Shares pro rata to the number of Shares held by them.

3 2 On a return of assets on a liquidation or capital reduction or similar, the assets of the Company remaining after the payment of its liabilities shall be distributed amongst the holders of the Shares pro rata to the number of Shares held by them respectively.

3.3 In relation to voting at general meetings of the Company:

3.3.1 on a show of hands, every holder of Shares who (being an individual) is present in person or (being a corporation) is present by a representative shall have one vote; and

3.3.2 on a poll, every holder of Shares who is present in person or by a proxy or (being a corporation) by a representative shall have one vote for every Share of which he is the holder

## **4. ISSUE OF NEW SHARES**

4.1 In these Articles, unless the context requires otherwise, references to Shares shall include shares of those respective classes created and/or issued after the date of adoption of these Articles.

4 2 Unless otherwise resolved by the Members by way of Special Resolution, any new Shares from time to time created shall before they are issued to any third party be offered to the holders of Shares in proportion to the number of Shares held by them

4.3 The offer to Members referred to in Article 4.2 shall be made by notice in writing specifying the number and class (if relevant) of Shares offered and the price per Share (which shall be the same price per Share) and stating a time (not being less than fifteen days or greater than thirty days) within which the offer, if not accepted, will be deemed to be declined. After the expiration of such time, or on the receipt of an indication from the person to whom the offer is

made that he declines to accept the Shares offered or any of them, the Directors shall offer the Shares declined in like manner to the Members who have agreed to subscribe for all the Shares offered to them. If the Shares comprised in such further offers are declined or deemed to be declined the further offers shall be withdrawn.

4 4 Subject to this Article 4, and the provisions of Section 550 and Section 551 of the Companies Act 2006, the Shares shall be at the disposal of the Directors who may allot, grant or otherwise dispose of Relevant Securities to such persons at such times and generally on such terms and conditions as they think fit in their absolute discretion, provided that no Share shall be issued at a discount and no shares shall be issued at a price less than that at which they were offered to the Members in accordance with Article 4.2 and if the Directors are proposing to issue such shares wholly or partly for a non-cash consideration the cash equivalent of such consideration for the purposes of this sub-paragraph shall be as reasonably determined by the Auditors who shall act as experts and not as arbitrators and whose determination shall be final and binding on the Company and each of its members.

4.5 Sections 561(1) and 562(1) to (5) of the Act shall not apply to an allotment of Shares made by the Company.

## 5. **LIEN**

The Company shall have a first and paramount lien on every Share (whether or not fully paid) for all and any indebtedness of any holder thereof to the Company (whether a sole holder or one of two or more joint holders) in respect of the Shares concerned.

## 6 **REGISTRATION OF TRANSFERS**

6.1 Notwithstanding any other provision of these Articles, the Directors shall not register a transfer of any interest in a Share if it is to a minor, undischarged bankrupt, trustee in bankruptcy or person who (in the opinion of the Directors) is of unsound mind.

6.2 The Directors may in their absolute discretion refuse to register the transfer of a Share whether or not it is fully paid without assigning any reason for such refusal, and if they do so, 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. Article 26(5) of the Model Articles shall be amended accordingly

6 3 Notwithstanding any other provision of these Articles, an obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or other encumbrance.

## 7 **PRE-EMPTION RIGHTS**

7 1 Except as permitted under Article 8, Article 9 and Article 10, before transferring or disposing of any Shares (or any interest in Shares) any Member wishing to transfer his or her Shares (the "**Proposing Transferor**") shall serve a Transfer Notice on the Company specifying the number and class of Shares in question and the proposed price for such shares, and the Transfer Notice shall constitute the Company as his or her agent for the sale of those Shares at the Prescribed Price to any Member or Members Except as provided in this Article, a Transfer Notice once given or deemed to be given shall not be revocable except with the consent of the Directors.

7.2 A Transfer Notice may comprise Shares of more than one class and shall, if the Proposing Transferor has received any offer to purchase Shares (whether or not an offer capable of becoming legally binding upon acceptance) within the period of three months prior to service of

the Transfer Notice, give the name of the offeror, the number and class of Shares concerned and the price offered in respect of each such Share

- 7.3 The Directors will endeavour to agree the Prescribed Price with the Proposing Transferor. If the Directors fail to agree the Prescribed Price with the Proposing Transferor within 14 days of receipt of the Transfer Notice by the Company or, as applicable, a Transfer Notice having been deemed to have been served, the Directors shall request the Auditors (or if they are unable or decline to act, an independent firm of chartered accountants appointed with the agreement of the Company) and the provisions relating to Auditors in this Article 7 shall apply to such independent firm of chartered accountants (acting as experts and not as arbitrators) to certify the Prescribed Price.
- 7.4 The Auditors shall (acting as experts and not arbitrators) within 14 days of such a request certify to the Company the Prescribed Price, being the value of each Sale Share (or, where appropriate of each Sale Share of each class) calculated on the following basis:
- (a) by determining the sum which a willing purchaser would offer to a willing vendor for all the issued Shares; and
  - (b) by dividing the resultant figure between the total number of shares in issue (regardless of class if more than one class of shares is in issue)
- 7.5 The Auditor's certificate as to the Prescribed Price shall be final and binding.
- 7.6 Within 21 days following receipt of the Transfer Notice or (where relevant) the date on which the Transfer Notice is deemed to have been given or where the Prescribed Price is certified by the Auditors the date of certification of the Prescribed Price, the Company shall offer the Sale Shares to each Member (other than the Proposing Transferor) in accordance with the provisions of Articles 7.7 and 7.8 for purchase at the Prescribed Price. All offers shall be made by notice in writing and state a time (being between 30 and 42 days inclusive following the date of such notice) within which the offer must be accepted or, in default, will be deemed to have been declined (the "Acceptance Period"). A copy of such offer shall at the same time be sent by the Company to the Proposing Transferor.
- 7.7 The Company shall offer the Sale Shares to the Members in proportion to the number of Shares held by them (and for the purposes of this Article 7.7 if there is more than one class of Shares in issue, all Shares shall be treated as if they constituted one class of share).
- 7.8 The Sale Shares shall be offered on the following basis:
- 7.8.1 any Member to whom the Sale Shares are offered may accept all or some only of the Sale Shares offered to him/her/it, and shall be invited to indicate whether, if he accepts all such Sale Shares, he wishes to purchase any Sale Shares which other Members decline to accept ("Excess Shares") and, if so, the maximum number of Excess Shares which he wishes to purchase;
  - 7.8.2 any Excess Shares shall be allocated between the Members who have indicated that they wish to purchase Excess Shares pro rata to the proportion of the total number of Shares held by those Members but so that no Member shall be required or entitled to receive more than the maximum number indicated by him/her/it pursuant to Article 7.8.1;
  - 7.8.3 subject to the provisions of this Article, the Purchasers shall be bound to purchase the Sale Shares properly allocated to them under the provisions of this Article 7.8 at the Prescribed Price in accordance with the provisions of Articles 7.3 and 7.4.



- 7.9** Not later than 7 days following the expiry of the Acceptance Period the Company shall give written notice to the Proposing Transferor stating.
- 7.9.1** if it is the case, that no Member has sought to purchase any of the Sale Shares; or, otherwise
- 7.9.2** the number of Sale Shares which Members have sought to purchase, giving the name and address of each Purchaser and the number of Sale Shares to be purchased by him/her/it.
- If within the Acceptance Period, Purchasers have been found for some only of the Sale Shares or if no Purchaser has been found for any of the Sale Shares, the Proposing Transferor may within 7 days of service on him/her/it of notice under this Article revoke his Transfer Notice by written notice to the Company
- 7.10** If the Proposing Transferor is given notice under Article 7.9 (and subject to his or her not revoking his or her Transfer Notice in accordance with Article 7.9) he shall be bound on payment of the Prescribed Price to transfer the Sale Shares in question to the respective Purchasers. The sales and purchases shall be completed at the registered office of the Company during normal business hours on the first business day after the expiry of 14 days following the date of service of notice by the Company under Article 7.9
- 7.11** If a Proposing Transferor fails to transfer any Sale Shares to a Purchaser after becoming bound to do so, the Directors may authorise any person to execute on behalf of and as attorney for the Proposing Transferor any necessary instruments of transfer and shall register the Purchaser as the holder of the relevant Sale Shares. The Company's receipt of the purchase money shall be a good discharge to the Purchaser and the Company shall thereafter hold the purchase money on trust for the Proposing Transferor. After the name of the Purchaser has been entered in the Register of Members in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person
- 7.12** If the Company fails before the end of the Acceptance Period to find a Purchaser or Purchasers for any of the Sale Shares, the Proposing Transferor may (subject to Article 7.14) sell all or any of the Sale Shares to any third party/parties.
- 7.13** If before the end of the Acceptance Period the Company finds a Purchaser or Purchasers for some (but not all) of the Sale Shares and serves notice accordingly under Article 7.9 the Proposing Transferor may (subject to Article 7.14) sell all or any of the Sale Shares for which no Purchaser has been found to any third party/parties unless he revokes his or her Transfer Notice pursuant to Article 7.14 in which case he may sell all (but not some only) of the Sale Shares to any third party/parties.
- 7.14** The right of the Proposing Transferor to sell Sale Shares pursuant to Article 7.12 or Article 7.13 shall be subject to the following restrictions:
- 7.14.1** Sale Shares may not be sold after the expiry of three months after the date on which notice is given by the Company under Article 7.9, and
- 7.14.2** Sale Shares must be sold on a bona fide sale at a price not less than the Prescribed Price and without any deduction, rebate or allowance whatsoever to the Purchaser
- 7.15** The costs of the Auditors shall be borne as the Auditors may direct.

7.16 The restrictions imposed by this Article 7 may be waived in relation to any proposed transfer of Shares with the consent of all Members who, but for such waiver, would or might have been entitled to have such shares offered to them in accordance with Article 7.6.

7 17 For the purposes of Article 7 14.2 and calculating whether or not a price to be paid for the Sale Shares is more or less than the Prescribed Price, then the cash value of any non-cash consideration shall be that agreed between the Proposing Transferor and the Company, or if the Proposing Transferor and the Company fail to agree such cash value within 15 Business Days following the earlier of any request by the Proposing Transferor to so value any non-cash consideration and the submission to the Company of the relevant stock transfer form(s) relating to a transfer of the Sale Shares for non-cash consideration, the cash value shall be the amount certified as such as at the date of the earlier of the request for valuation and the purported transfer of the Sale Shares at the request of the Directors, by the Auditors (acting as experts and not arbitrators). Their certificate shall be final and binding.

## **8. PERMITTED TRANSFERS**

8 1 Notwithstanding the provisions of any other Article, the transfers set out in this Article 8 shall be permitted without restriction and the provisions of Article 7, 9 and 10 shall not apply to any such transfer.

### **8.2 Permitted transfers by bodies corporate**

Any Member, being a company, may transfer any Shares to a member of the same group as such Member, save that the transferee can only hold the Shares for so long as it is a member of the same group as the original Member and on the transferee ceasing to be a member of that group the transferee will transfer the shares back to the original Member.

### **8.3 Permitted transfers by individuals**

8 3.1 Subject to Articles 8 3.2 to 8.3.4, any Member who is an individual may at any time transfer Shares held by him to a person or persons shown to the reasonable satisfaction of the Board to be:

- (a) a Family Member; or
- (b) trustees of a Family Trust in relation to that individual or their Family Members in their capacity as such trustees; or
- (c) a nominee whose business is to act as nominees provided that for the purposes of Articles 7, 8, 9, 10 and 11 the transferring Member shall be treated as continuing to hold the Shares

8.3.2 Subject to Article 8.3.3, no Shares shall be transferred under Article 8.3.1 by any person who previously acquired those Shares by way of transfer under 8.3 1 save to another individual who is a Family Member of the original holder of such Shares

8 3.3 Where Shares are held by trustee under a Family Trust:

- (a) those Shares may, on any change of trustee, be transferred by those trustees to any new trustee of that Family Trust;
- (b) those Shares may at any time be transferred by those trustees to the settlor of that trust or any person to whom that settlor could have transferred them under Article 8.3.1 if he had the remained the holder of them; and

- (c) if any of those Shares cease to be held under a Family Trust other than by virtue of a transfer made under Article 8.3.4(b) the trustee shall be deemed to have given a Transfer Notice in respect of the Shares held by those trustees pursuant to Article 11.

8.3.4 If:-

- (a) any person has acquired Shares as a Family Member of a Member by way of one or more permitted transfers; and
- (b) that person ceases to be a Family Member of that Member

that person shall forthwith transfer all the Shares then held by that person back to that Member, for such consideration as they agree, within 21 days of the cessation, or, failing such transfer within that period, shall be deemed to have given a Transfer Notice in respect of all the Shares then held by that person pursuant to Article 11

- 8.3.5 If the personal representatives of a deceased Member are permitted under these Articles to become registered as the holders of any of the deceased Member's Shares and elect to do so, those Shares may at any time be transferred by those personal representatives under Article 8.3.1 to any person to whom the deceased Member could have transferred such Shares under this article if he had remained the holder of them. No other transfer of such Shares by personal representatives shall be permitted under this Article 8.

## 9. TAG ALONG

- 9.1 No sale or transfer of the legal or beneficial interest in any Shares (the "**Relevant Transaction**") (other than one made pursuant to Article 10) may be made or validly registered if as a result of such sale or transfer a Relevant Interest is obtained by a Third Party Purchaser, unless the Proposing Transferor shall have procured a written offer complying with the provisions of Article 9.3 to have been made by the proposed Third Party Purchaser to the holders of all the other issued Shares to acquire their entire holding of Shares.

- 9.2 For the purpose of this Article 9:

- 9.2.1 the expression "**a Relevant Interest**" shall mean an interest in more than 50% of the Shares in issue for the time being;
- 9.2.2 the expressions "**transfer**" and "**transferee**" shall include respectively the renunciation of a renounceable letter of allotment and the renounee under any such letter of allotment; and
- 9.2.3 the expression "**acting in concert**" shall bear the meaning ascribed to it in the City Code on Take-overs and Mergers (as amended from time to time)

- 9.3 The offer referred to in Article 9.1 above shall be on terms that:

- 9.3.1 it will be open for acceptance in England and Wales for a period of at least 28 days following the making of the offer,
- 9.3.2 each Member to whom it is made shall be entitled to receive for each of the Shares held by him/her/it a sum per share equal to the Tag Along Consideration,

- 9.3.3 the purchase of any shares in respect of which such offer is accepted shall be completed at the same time as the Relevant Transaction;
- 9.3.4 otherwise on the same terms for all members (and for this purpose any offer which provides for any warranties or indemnities (other than warranties as to title and capacity) or restrictive covenants from some, but not all, Members shall be deemed to comply with this Article 9.3).
- 9.4 The Tag Along Consideration shall be the same consideration per Share (in the same form and due at the same time(s)) as that offered, given, paid or payable by, or due from the proposed Third Party Purchaser in respect of the Shares held by the person transferring the Relevant Interest. Any dispute in relation to the amount of any consideration payable in accordance with this Article 9.4 which has not been resolved within 10 Business Days of the date of the offer referred to in Article 9.1 shall be referred to the Auditors for determination in accordance with Article 22.
- 9.5 The provisions of this Article 9 shall prevail over any contrary provisions of these Articles and, for the avoidance of doubt, any restrictions on transfer of Shares contained in these Articles shall not apply to the transfer of any Shares pursuant to this Article 9.
- 10 **DRAG ALONG**
- 10.1 If the holders of not less than 75% of the Shares (together the "**Selling Members**") wish to transfer all their Shares to a Third Party Purchaser they shall have the option (a "**Drag Along Option**") to require all or any of the other Members (the "**Remaining Members**") to transfer all their Shares with full title guarantee to the Third Party Purchaser (or as the Third Party Purchaser shall direct) in accordance with this Article 10.
- 10.2 The Selling Members shall exercise the Drag Along Option by requiring the Company to give notice to that effect (a "**Drag Along Notice**") to each of the Remaining Members at any time before the registration of the transfer of the Selling Members' Shares. A Drag Along Notice shall specify.
- 10.2.1 that the Remaining Members are required to transfer all their Shares (the "**Remaining Shares**") pursuant to this Article 10;
- 10.2.2 the identity of the Third Party Purchaser;
- 10.2.3 the consideration for which, or the price at which, the Remaining Shares are to be transferred, determined in accordance with Article 10.4 (the "**Drag Along Consideration**"), and
- 10.2.4 the proposed date of transfer (if known).
- 10.3 A Drag Along Notice once given shall be irrevocable but shall lapse (and the obligations thereunder shall lapse) if the Selling Members decide for any reason not to transfer their entire holdings to a Third Party Purchaser.
- 10.4 Subject to Article 10.5, the Drag Along Consideration shall be the same consideration per Remaining Share (in the same form and due at the same time(s)) as that offered, given, paid or payable by, or due from, the Third Party Purchaser in respect of each Share held by the Selling Members.
- 10.5 If the Drag Along Consideration cannot be agreed between the Third Party Purchaser and the holders of not less than 75% of the Remaining Shares within 10 Business Days of the date of the

Drag Along Notice, such matter shall be referred for determination to the Auditors (in accordance with Article 22) and, pending their determination, the sale or transfer of the Selling Members' Shares shall have no effect and shall not be registered.

- 10.6 Prior to completion of the sale and purchase of the Remaining Shares, the Selling Members may resolve that the Remaining Members are paid the cash equivalent of any non-cash consideration due to the Selling Members from the Third Party Purchaser in lieu of such non-cash consideration. Such cash consideration in lieu may be paid to the Remaining Members either on completion or at the same time as the relevant non-cash consideration is received by the Selling Members. Any dispute in relation to the amount of any cash consideration in lieu of any non-cash consideration which has not been resolved within 10 Business Days of the date of the Drag Along Notice shall be referred to the Auditors for determination in accordance with Article 22.
- 10.7 Completion of the sale and purchase of the Remaining Shares shall take place on the same date as completion of the sale and purchase of the Selling Members' Shares (unless the Directors and all of the Remaining Members shall agree otherwise).
- 10.8 Upon the service of a Drag Along Notice each Remaining Member shall be deemed to have irrevocably appointed each of the Selling Members (severally) as the agent of the Remaining Member to execute, in the name of and on behalf of that Remaining Member, any stock transfer form and covenant for full title guarantee in respect of the Remaining Shares registered in the name of that Remaining Member and to do such other acts and things as the agent may consider necessary or desirable to transfer and complete the sale of the Remaining Shares pursuant to this Article 10.
- 10.9 The provisions of this Article 10 shall prevail over any contrary provisions of these Articles and, for the avoidance of doubt, any restrictions on transfer of Shares contained in these Articles shall not apply to the transfer of any Shares to a Third Party Purchaser named in a Drag Along Notice (or as that Third Party Purchaser may direct).

## 11. **COMPULSORY TRANSFERS**

11.1 In this Article 11, a **"Transfer Event"** means, in relation to any member:

- 11.1.1 a Member who is an individual becoming bankrupt and the individual notifying the Company within 3 months of the matter coming to their attention that such event is a Transfer Event in relation to that Member for the purpose of this Article;
- 11.1.2 a Member making any arrangement or composition with his creditors generally and notifying the Company within 3 months of the matter coming to their attention that such event is a Transfer Event in relation to that member for the purposes of this Article;
- 11.1.3 a Member which is a body corporate:
- (a) having a receiver, manager or administrative receiver appointed over all or any part of its undertaking or assets; or
  - (b) having an administrator appointed in relation to it; or
  - (c) entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction); or
  - (d) having any equivalent action taken in any jurisdiction;

and notifying the Company within 3 months of the matter coming to their attention that such event is a Transfer Event in relation to that Member for the purpose of this Article;

11.1.4 a Member attempting to deal with or dispose of any Share or any interest in it otherwise than in accordance with these Articles and the Company being notified that such event is a Transfer Event in relation to that Member, and

11.1.5 failure by a Member to make a transfer of Shares required by Articles 8.2 or 8.3 and the Company being notified that such event is a Transfer Event in relation to that member for the purposes of this Article.

11.2 Upon the happening of any Transfer Event, the Member in question and any other Member who has acquired Shares from him under a permitted transfer pursuant to Articles 8.2 and 8.3 (directly or by means of a series of two or more permitted transfers) shall be deemed to have immediately given a Transfer Notice in respect of all the Shares then held by them and which in the case of a transferee of shares were the Shares received directly or indirectly from the member who is the immediate subject of the Transfer Event (a **"Deemed Transfer Notice"**). A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Shares except for Shares which have then been validly transferred pursuant to that Transfer Notice

11.3 Notwithstanding any other provision of these Articles, when a Deemed Transfer Notice is deemed given shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those Shares between the date of the relevant Deemed Transfer Notice and the expiry of 3 months after the date of the Deemed Transfer Notice given in respect of those Shares or, if earlier, the entry in the register of members of the Company of another person as the holder of those Shares

11.4 The Shares the subject of any Deemed Transfer Notice shall be offered for sale in accordance with Article 7 as if they were Sale Shares in respect of which a Transfer Notice had been given save that:

11.4.1 a Deemed Transfer Notice shall be deemed to have been given on the date of the Transfer Event or, if later, the date of notification to the Company that the relevant event is a Transfer Event;

11.4.2 the Sale Price shall be a price per Sale Share agreed between the Member whose Shares are the subject of the Deemed Transfer Notice, or, in default of agreement, within 21 days after the date of the Transfer Event, the Fair Value;

11.4.3 a Deemed Transfer Notice shall be irrevocable unless the Directors otherwise agree in writing;

11.4.4 the Member whose Shares are the subject of the Deemed Transfer Notice may retain any Sale Shares for which Purchasers are not found or, after the expiry of the relevant offer notice with the prior written approval of the Board, sell all or any of those Sale Shares to any person (including any member) at any price per Sale Share which is not less than the Sale Price, and

11.4.5 the Sale Shares shall be sold together with all rights attaching thereto as at the date of the Transfer Event.

## **12 PROCEEDINGS AT GENERAL MEETINGS**

- 12.1 No business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business and also when such business is voted upon. One Member present either in person, by proxy or by a duly appointed corporate representative shall be a quorum.
- 12.2 Article 41 of the Model Articles shall be amended by the addition of the following as a new paragraph 41(7) in that Article: If within half an hour of the time appointed for the holding of an adjourned meeting a quorum is not present, the meeting shall be dissolved.
- 12.3 A poll may be demanded at any general meeting by:
- 12.3.1 the chairman; or
  - 12.3.2 by any Member present (in person, by proxy or by a duly appointed corporate representative) and entitled to vote on the relevant resolution.
- 12.4 Article 44(2) of the Model Articles shall not apply to the Company.
- 12.5 Article 44(3) of the Model Articles shall be amended by the insertion of the following as a new paragraph at the end of that Article: A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.
- 12.6 Article 45(1) of the Model Articles shall be amended as follows.
- 12.6.1 by the deletion of the words in Article 45(1)(d) and the substitution therefor of the following: 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 exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate; and
  - 12.6.2 by the insertion of the following as a new paragraph at the end of Article 45(1): and a proxy notice which is not delivered in such manner shall be invalid unless the Directors, in their discretion accept the proxy notice at any time before the meeting to which they relate.

## **13. APPOINTMENT AND REMOVAL OF DIRECTORS**

- 13.1 Unless and until determined otherwise by ordinary resolution of the Company, the number of Directors (other than alternate directors) shall not be less than one nor more than six.
- 13.2 Model Article 17(1) shall not apply to the Company. Any person who is willing to act as a Director of the Company, and is permitted to do so, may:
- 13.2.1 be appointed to be a Director by ordinary resolution; or
  - 13.2.2 be appointed to be a Director by a decision of the Directors, either to fill a vacancy as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum number of Directors.
- 13.3 The office of a Director shall automatically be vacated, and the Director in question shall be deemed to have resigned, upon a Member, or Members together, holding not less than 50% of

the Shares from time to time requesting his or her resignation by notice in writing. Such notice (which may consist of several documents in similar form each signed by or on behalf of one or more Members) must be left at or sent by post to the registered office of the Company (or another address nominated by the Directors for this purpose) and the resignation shall take effect when the notice is received by the Company or, if later, on such date (if any) as may be specified in the notice, and Article 18 of the Model Articles shall be extended accordingly.

- 13.4 In any case where, as a result of death or bankruptcy, the Company has no Members and no Directors, the transmittee(s) of the last Member to have died or to have a bankruptcy order made against him or her (as the case may be) has the right, by notice in writing, to appoint a natural person who is willing to act and is permitted to do so, to be a Director. Article 27(3) of the Model Articles shall be modified accordingly.

#### **14 PROCEEDINGS OF DIRECTORS**

- 14 1 Two Directors present either in person shall be a quorum for any meeting of the board of Directors, provided that:

14.1.1 if at any time there shall be only one Director in office, the quorum at that time shall be one Director; and

14 1 2 for the purpose of any meeting held to authorise a Director's conflict of interest under Article 15/section 175 of the Act if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting shall be one Eligible Director. Article 11(2) of the Model Articles shall not apply to the Company.

- 14.2 If the number of votes for and against a proposal at a Directors' meeting is equal the chairman shall have a casting vote, provided that the chairman shall not have a casting vote if he is not an Eligible Director for the purposes of the relevant directors' decision. Article 13 of the Model Articles shall not apply to the Company.

#### **15 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

- 15 1 Subject to sections 177 and 182 of the Act, and provided he or she has declared the nature and extent of his or her interest in accordance with the requirements of the Act, a Director who is in any way (whether directly or indirectly) interested in an existing or proposed transaction or arrangement with the Company:

15.1.1 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;

15 1.2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or a committee of Directors) in respect of such contract or proposed contract in which he or she is interested;

15.1.3 shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision of the Directors, in respect of such contract or proposed contract in which he or she is interested;

15 1.4 may act by himself or herself or his or her firm in a professional capacity for the Company (otherwise than as auditor) and he or she or his or her firm shall be entitled to remuneration for professional services as if he or she were not a Director;



15.1.5 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

15 1.6 shall not, save as he or her may otherwise agree, be accountable to the Company for any benefit which he or she (or a person or body corporate connected with him or her (as defined in sections 252 and 254 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, 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 or her duty under section 176 of the Act.

15 2 Articles 14(1) to 14(4) of the Model Articles shall not apply to the Company.

## 16 **DIRECTORS' CONFLICTS OF INTEREST**

16.1 The Directors may, in accordance with the requirements set out in this Article 16, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director breaching his or her duty under section 175 of the Act to avoid conflicts of interest (a "Conflict").

16 2 Any authorisation under this Article will be effective only if

16.2 1 the matter in question shall have been proposed by any Director for consideration at a meeting of Directors in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;

16 2 2 any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question; and

16 2 3 the matter was agreed to without the Director in question voting or would have been agreed to if his or her vote had not been counted.

16 3 Any authorisation of a Conflict under this Article 16 may (whether at the time of giving the authorisation or subsequently):

16 3 1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;

16 3 2 be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine, and

16 3 3 be terminated or varied by the Directors at any time.

This will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.

In authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his or her involvement in the Conflict otherwise than as a Director of the Company and in respect of which he or she owes a duty of confidentiality to another person, the Director is under no obligation to:

- 16.3.4 disclose such information to the Directors or to any Director or other officer or employee of the Company; or
- 16.3.5 use or apply any such information in performing his or her duties as a Director,
- where to do so would amount to a breach of that confidence.
- 16.4 Where the Directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the Director:
- 16 4 1 is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;
- 16 4.2 is not given any documents or other information relating to the Conflict; and
- 16 4 3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of Directors in relation to any resolution relating to the Conflict.
- 16.5 Where the Directors authorise a Conflict:
- 16 5 1 the relevant Director will be obliged to conduct himself or herself in accordance with any terms imposed by the Directors in relation to the Conflict; and
- 16 5 2 the Director will not infringe any duty he or she owes to the Company by virtue of sections 171 to 177 of the Act provided he or she acts in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of its authorisation
- 16.6 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 or she 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
17. **ALTERNATE DIRECTORS**
- 17 1 The appointment of an alternate director shall not be subject to approval by a resolution of the Board
- 17 2 An alternate director shall not be entitled to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor, may notice in writing to the Company from time to time, direct
- 17 3 A Director may act as an alternate director to represent more than one Director, and an alternate director shall be entitled to at any meeting of the Board (or of any committee of the Board) to vote for every Director whom he represents (in addition to his own vote (if any) as a Director), but he shall count as only one for the purpose of determining whether a quorum is present at any such meeting.
- 18 **VARIATION OF CLASS RIGHTS**
- 18.1 Whenever the share capital of the Company is divided into different classes of Shares, the special rights attached to any such class may only be varied or abrogated (either whilst the

Company is a going concern or during or in contemplation of a winding up) with the consent in writing of the holders of at least 75% in nominal value of the issued Shares of that class.

## **19 NOTICES**

19 1 Any notice, document or other information given in accordance with these Articles shall be deemed served on or delivered to the intended recipient:

19 1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted;

19 1.2 if properly addressed and sent by reputable international overnight courier to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, 5 Business Days after posting provided that delivery in at least 5 Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider,

19.1.3 if properly addressed and delivered by hand, when it was given or left at the appropriate address;

19.1.4 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and

19 1.5 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this Article 19, no account shall be taken of any part of a day that is not a working day.

19 2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.

## **20 INDEMNITY**

20 1 Subject to Article 20.2 but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

20 1.1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him or her as a relevant officer in the actual or purported execution and/or discharge of his or her duties, or in relation to them, including any liability incurred by him or her in defending any civil or criminal proceedings, in which judgment is given in his or her favour or in which he or she is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his or her part or in connection with any application in which the court grants him or her, in his or her capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company (or any associated company); and

20.1 2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him or her in connection with any proceedings or application referred to in Article 20 1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

20.2 This Article 20 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

20.3 In this Article 20 and in Article 21

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

20.3.2 a **relevant officer** means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or any associated company) as auditor (whether or not he or she is also a director or other officer), to the extent he or she acts in his or her capacity as auditor.

20.4 Article 52 of the Model Articles shall not apply to the Company.

## 21. **INSURANCE**

21.1 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 loss or liability which has been or may be incurred by that relevant officer in connection with his or her 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

21.2 Article 53 of the Model Articles shall not apply to the Company.

## 22. **DISPUTES**

Where these Articles provide for any dispute in relation to a particular matter to be determined pursuant to this Article 22 such dispute shall be referred, at the request of any Member or Director, to the Auditors. The decision of the Auditors (who shall be deemed to act as an expert and not as an arbitrator) shall, save in the event of fraud or manifest error, be final and binding on the Company and the Members. The cost of such reference shall be borne as directed in the relevant Article or, where no such direction is given, by the party or parties named by the Auditors (taking into account the conduct of the parties and the merits of their respective arguments in relation to any matters in dispute) or, where no such party is named by the Auditors, equally by the parties concerned.