

Company Number: 09990597

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTIONS OF
OVAL MONEY LIMITED
(the "Company")

WEDNESDAY



PURSUANT TO PART 13, CHAPTER 2 OF THE COMPANIES ACT 2006

DATE OF CIRCULATION: 15 NOVEMBER 2016

WRITTEN RESOLUTIONS

We, the undersigned, being the members of the Company who, at the date of these Written Resolutions, would be entitled to attend and vote at general meetings of the Company, HEREBY PASS the following resolutions and agree that the resolutions shall, for all purposes, be as valid and effective as if the same had been passed by us at a general meeting of the Company duly convened and held

SPECIAL RESOLUTIONS

- 1 THAT the New Articles be adopted as the articles of association of the Company with immediate effect and to the exclusion of all other articles
- 2 THAT the Oval Money Limited Employee Share Option Plan in the form of EMI option agreements and share option agreements for non-employees (the ESOP) be approved, and the directors be authorised to do all acts and things necessary to establish the ESOP
- 3 THAT the appointment of Mr Giacomo Bertoldi and Mrs Simona Torre as additional directors of the Company appointed on behalf of Ordinary B Shareholders effective from 15 November 2016 be approved
4. THAT in accordance with section 551 of the Companies Act 2006, the directors of the Company be generally and unconditionally authorised to issue and allot at nominal value 119,395 Ordinary B Shares of nominal value of £0.004 each to Buongiorno S p A , 119,395 Ordinary B Shares of nominal value of £0.004 each to Owna S r l and 238,790 Ordinary B Shares of nominal value of £0.004 each to Seed S r l as if the pre-emption rights contained in section 561(1) of Companies Act 2006 and in the New Articles did not apply

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the above resolutions by signing this document below

SIGNATURE TO WRITTEN RESOLUTIONS

Signed by


Benedetta Arese Lucini

15/11/2016

Date

Edoardo Benedetto

Date

Claudio Bedino

Date

Simone Marzola

Date

Buongiorno S.p.A

Date

The Family (Legendary) Ltd

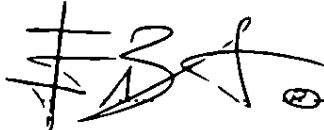
Date

SIGNATURE TO WRITTEN RESOLUTIONS

Signed by

Benedetta Arese Lucini

Date

A handwritten signature in black ink, appearing to be 'Edoardo Benedetto', written over a horizontal line.

15 november 2016

Edoardo Benedetto

Date

Claudio Bedino

Date

Simone Marzola

Date

Buongiorno S.p.A

Date

The Family (Legendary) Ltd

Date

SIGNATURE TO WRITTEN RESOLUTIONS


Signed by

Benedetta Arese Lucini

Date

Edoardo Benedetto

Date

A handwritten signature in black ink, appearing to read 'Claudio Bedino', written over the printed name.

15/11/2016

Claudio Bedino

Date

Simone Marzola

Date

Buongiorno S.p.A

Date

The Family (Legendary) Ltd

Date

SIGNATURE TO WRITTEN RESOLUTIONS

Signed by

Benedetta Arese Lucini

Date

Edoardo Benedetto

Date

Claudio Bedino

Date


Simone Marzola

15th November 2016

Date

Buongiorno S.p.A

Date

The Family (Legendary) Ltd

Date

SIGNATURE TO WRITTEN RESOLUTIONS

Signed by

Benedetta Arese Lucini

Date

Edoardo Benedetto

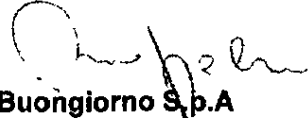
Date

Claudio Bedino

Date

Simone Marzola

Date



15 November 2016

Buongiorno S.p.A

Date

The Family (Legendary) Ltd

Date

SIGNATURE TO WRITTEN RESOLUTIONS

Signed by

Benedetta Arese Lucini

Date

Edoardo Benedetto

Date

Claudio Bedino

Date

Simone Marzola

Date

Buongiorno S.p.A

Date



The Family (Legendary) Ltd

15th November 2016
Date

NOTES

- (a) You can choose to agree to all of the resolutions or none of them but you cannot agree to only some of the resolutions. If you agree to all of the resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company by either sending it by post to the Company's registered office or by hand delivering the signed copy to any one of the Company's directors. If you do not agree to the resolutions, you do not need to do anything: you will not be deemed to agree if you fail to reply.
- (b) Once you have indicated your agreement to the resolutions and returned them to the Company, you may not revoke your agreement.
- (c) Unless, by the date 28 days after the date of circulation of this document, sufficient agreement has been received for the resolutions to pass, they will lapse. If you agree to the resolutions, please ensure that your agreement reaches us before close of business on this date.
- (d) If you are signing this document on behalf of a person under a power of attorney or other authority, please send a copy of the relevant power of attorney or authority when returning this document.

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

OVAL MONEY LIMITED

(Adopted by shareholders' special resolution passed on 15 November 2016)

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THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

OVAL MONEY LIMITED

(Adopted by shareholders' special resolution passed on 15 November 2016)

1. Introduction

- 1 1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles of association (the "**Model Articles**") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following articles of association ("**Articles**")
- 1 2 Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended) shall not apply to the Company
- 1 3 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force
- 1 4 In these Articles
- (a) article headings are used for convenience only and shall not affect the construction or interpretation of these Articles,
 - (b) words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa, and
 - (c) Articles 8(2), 9(4), 10(3), 11(2), 13, 14, 17(2), 17(3), 19, 21, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 44(4), 51, 52 and 53 of the Model Articles shall not apply to the Company

2. Definitions

In these Articles the following words and expressions shall have the following meanings

"**Act**" means the Companies Act 2006 (as amended from time to time),

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

"Auditors" means the auditors of the Company from time to time,

"Bad Leaver" means an Employee, Director or Ordinary A Shareholder who becomes a departing employee in circumstances where he is not a Good Leaver,

"Board" means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles,

"Business Day" means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday),

"Commencement Date" means the Completion date of the Investment Agreement,

"Company" means Oval Money Limited,

"Company's Lien" has the meaning given in Article 25,

"Controlling Interest" means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the CTA 2010,

"CTA 2010" means the Corporation Tax Act 2010,

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

"Director(s)" means a director or directors of the Company from time to time,

"electronic address" has the same meaning as in section 333 of the Act,

"electronic form" and **"electronic means"** have the same meaning as in section 1168 of the Act,

"Employee" means an individual who is employed by or who provides consultancy services to, the Company or any member of the Group,

"Employees Share Option Plan(s)" means the Company's employees' share option plan(s) in favour of managers and key employees of the Company to be adopted before or on the Date of Adoption and/or any other employees' share option plan, the terms of which have been approved by the Shareholders,

"Encumbrance" means any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including without limitation any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law),

"Equity Shares" means the Shares,

"Fair Value" is as determined in accordance with Article 10 1,

"Financial Indebtedness" means all borrowings and other indebtedness by way of overdraft, acceptance credit or similar facilities, loan stocks, bonds, debentures, notes or any other arrangements the purpose of which is to borrow money, together with forex, interest rate or other swaps, hedging obligations, bills of exchange, recourse obligations on factored debts and obligations under other derivative instruments (but excluding any inventory financing, finance leases or sale and lease back arrangements),

"Good Leaver" means an employee who becomes a departing Employee, Director or Ordinary A Shareholder by reason of a permanent disability or permanent incapacity through ill-health or

redundancy (as defined in the Employment Rights Act 1996 as subsequently amended and restated from time to time) and is not in breach of its Non-Compete obligations,

"Group" means the Company and its Subsidiary Undertaking(s) (if any) from time to time and **"Group Company"** shall be construed accordingly,

"hard copy form" has the same meaning as in section 1168 of the Act,

"Investment Agreement" means the investment and Shareholders agreements dated on or around the Date of Adoption between, amongst others, the Company and the Shareholders,

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

"Key Employee" means any employee employed by any Group Company at management grade,

"Lien Enforcement Notice" has the meaning given in Article 25 4,

"Non-Compete" means the obligations of Employee, Director or Ordinary A Shareholders not to engage in any activities in the field of fintech that can deemed to be in competition with Company's business (i) during the entire period they are engaged in the provision of services to the Company, (ii) for a period of 2 (two) years after they have stop providing services to the Company, and (iii) for a period of 2 (two) years after they have sold their shares in the Company,

"Ordinary A Shareholders" means the holders from time to time of the Ordinary A Shares,

"Ordinary A Shares" means the ordinary A shares of GBP 0 004 each in the capital of the Company,

"Ordinary B Shareholders" means the holders from time to time of the Ordinary B Shares,

"Ordinary B Shares" means the ordinary B shares of GBP 0 004 each in the capital of the Company,

"Qualifying Person" has the meaning given in section 318(3) of the Act,

"Sale Shares" has the meaning set out in Article 8 2(a) of these Articles,

"Seller" has the meaning set out in Article 8 2 of these Articles,

"Shareholder" means any holder of any Shares,

"Shares" means the Ordinary A Shares and the Ordinary B Shares from time to time,

"Subsidiary", "Subsidiary Undertaking" and "Parent Undertaking" have the respective meanings set out in sections 1159 and 1162 of the Act,

"Transfer Notice" shall have the meaning given in Article 8 2,

"Transfer Price" shall have the meaning given in Article 8 2(c),

3. Share capital

3 1 In these Articles, unless the context requires otherwise, references to shares of a particular class shall include shares allotted and/or issued after the Date of Adoption and ranking *pari passu* in all respects (or in all respects except only as to the date from which those shares rank for dividend) with the shares of the relevant class then in issue

3 2 Except as otherwise provided in these Articles, the Ordinary A Shares and the Ordinary B Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares

- 3 3 Whenever as a result of a consolidation of Shares any Shareholders would become entitled to fractions of a Share, the Directors may, on behalf of those Shareholders, sell the Shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those Shareholders, and the Directors may authorise any person to execute an instrument of transfer of the Shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 3 4 When the Company sub-divides or consolidates all or any of its Shares, the Company may, subject to the Act and to these Articles, by ordinary resolution determine that, as between the Shares resulting from the sub-division or consolidation, any of them may have any preference or advantage or be subject to any restriction as compared with the others.
- 3 5 The words “and the directors may determine the terms, conditions and manner of redemption of any such shares” shall be deleted from article 22(2) of the Model Articles.
- 3 6 Paragraph (c) of article 24(2) of the Model Articles shall be amended by the replacement of the words “that the shares are fully paid, and” with the words “the amount paid up on them, and”.
- 4. Votes in general meeting**
- 4 1 The Ordinary A Shares shall confer on each holder of Ordinary A Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 4 2 The Ordinary B Shares shall confer on each holder of Ordinary B Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 4 3 Where Shares confer a right to vote, on a show of hands each holder of such shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each Share held by him.
- 5. Variation of rights**
- 5 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 more than 50 per cent in nominal value of the issued shares of that class.
- 6. Allotment of new shares and anti-dilution**
- 6 1 If the Company wishes to issue further Ordinary A Shares or Ordinary B Shares or any further class of Shares to be approved yet (for example, in connection with future fundraising), the Directors shall procure that the Company offers, by giving written notice to each Ordinary A Shareholder, that proportion of Ordinary A Shares proposed to be issued which the number of ordinary shares (within the meaning given in section 560 of the Act) in the capital of the Company held by that Shareholder bears to the total number of ordinary shares in issue at the time the Company gives its notice. Such offer shall state the number of Shares to be issued and the price of the Shares (*anti-dilution shares*).
- 6 2 If the Company wishes to issue further Ordinary B Shares (for example, in connection with future fundraising), the Directors shall procure that the Company offers, by giving written notice to each Ordinary B Shareholder, that proportion of Ordinary B Shares proposed to be issued which the number of relevant ordinary shares (within the meaning given in section 560 of the Act) in the capital of the Company held by that Shareholder bears to the total number of ordinary shares in issue at the time the

Company gives its notice Such offer shall state the number of Shares to be issued and the price of the Shares (*anti-dilution shares*)

- 6 3 Each Shareholder may accept the offer by giving notice to the Company, at any time within 14 Business Days following the Company's notice, accompanied by a banker's draft made payable to the Company in respect of full payment for the Shares to be subscribed for
- 6 4 Any Shares referred to in the Company's offer, for which the Shareholders do not subscribe, may be issued by the Company as it thinks fit, provided that any such issue is completed within 30 Business Days after the Company's notice of the offer
- 6 5 In such event, should the Shareholders decide not to subscribe for the issuance of further Shares or securities convertible into such Shares, the Shareholders will not be entitled to anti-dilution protection Shares of each shareholder will be diluted on a pro-rata basis
- 6 6 The allotment of any Shares to any person who is not, immediately prior to completion of the allotment in question, either by way of issuance of new shares or by way transfer of shares a party to the Investment Agreement shall be subject to the majority of Ordinary A Shares in issue from time to time
- 6 7 Each Shareholder shall, for as long as he holds any Shares, procure that any person to whom the Company allots any Shares who is not, immediately prior to completion of the allotment in question, a party to the Investment Agreement shall, at completion, enter into a deed of adherence with the Continuing Shareholders, agreeing to be bound by the terms of the Investment Agreement, in such form as the Continuing Shareholders may reasonably require (but not so as to oblige the buyer to have any obligations or liabilities greater than those of the Continuing Shareholders)

7. Transfers of Shares – general

- 7 1 The reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share
- 7 2 No Share may be transferred unless the transfer is made in accordance with these Articles
- 7 3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles such transfer or purported transfer shall be deemed null and void and he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him
- 7 4 Any transfer of a Share by way of sale which is required to be made under Articles 8 to 13 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee
- 7 5 The Directors may refuse to register a transfer if
- (a) it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind,
 - (b) the transfer is to an Employee, Director or prospective Employee or prospective director of the Company and such person has not entered in a joint section 431 ITEPA election with the Company,
 - (c) it is a transfer of a Share which is not fully paid
 - (i) to a person of whom the Directors do not approve, or
 - (ii) on which Share the Company has a lien,
 - (d) the transfer is not lodged at the registered office or at such other place as the Directors may appoint,

- (e) the transfer is not accompanied by the certificate for the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer

If the Directors refuse to register a transfer, 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

8. Transfers of Shares subject to pre-emption rights

8 1 Save where the provisions of Articles 12 and 13 apply, any transfer of Shares by the Founder shall be subject to the pre-emption rights contained in this Article 8

8 2 A Shareholder (**Seller**) wishing to transfer all or part of its Shares (**Sale Shares**) shall give notice in writing (**Transfer Notice**) to the other Shareholders (**Continuing Shareholders**) specifying the details of the proposed transfer, including the number of Sale Shares comprised within the Transfer Notice, the identity of the proposed buyer(s) (if any), the proposed price for each Sale Share (**Proposed Sale Price**)

8 3 Ordinary A Shareholders agree not to transfer or encumber their shares in the Company for a period of 2 (two) years from the Commencement Date

8 4 Within 20 Business Days of receipt (or deemed receipt) of a Transfer Notice, the Continuing Shareholder shall be entitled (but not obliged) to

- (a) accept the offer, at the Proposed Sale Price, or, d
- (b) sell a number of its Shares proportional to its participation in the share capital of the Company to the proposed buyer(s), at the Proposed Share Price, or,
- (c) if he does not agree on the Proposed Sale Price, the Continuing Shareholder (or the Seller) shall immediately instruct the Valuers to determine the Fair Value of the Shares in accordance with Article clause 10 ,

8 5 Within 20 Business Days of receipt of the Valuers' determination of the Fair Value, a Continuing Shareholder shall be entitled (but not obliged) to give notice in writing (**Acceptance**) to the Seller stating that he wishes to purchase all (but not part) of Sale Shares at the Fair Value (*first-refusal*)

8 6 Completion of those Sale Shares accepted by Continuing Shareholders under Article 8 4 shall take place in accordance with Article 9

8 7 In relation to any Sale Shares not accepted by Continuing Shareholders under Article 8 4, the Seller shall be entitled to transfer those Sale Shares to the third party buyer identified in the Transfer Notice at a price per Sale Share not less than the Sale Price

9 Completion of Share Purchase

9 1 Completion of the sale and purchase of Shares under Article 8 and this Article 9 shall take place 30 Business Days after the date of Acceptance in accordance with Article 8 4

9 2 At such completion

- (a) the Seller shall deliver, or procure that there is delivered to each Continuing Shareholder who is to purchase Sale Shares, a duly completed stock transfer form transferring the legal and beneficial ownership of the relevant Sale Shares to him, together with the relevant share certificate(s) and such other documents as the Continuing Shareholders may reasonably require to show good title to the Shares, or to enable him to be registered as the holder of the Shares,

- (b) each relevant Continuing Shareholder shall deliver or procure that there is delivered to the Seller a bankers' draft made payable to the Seller or to his order for the Sale Price for the Sale Shares being transferred to him (or such other method of payment agreed between a Continuing Shareholder and the Seller),
 - (c) the Seller shall procure that any buyer of Sale Shares that is not, immediately prior to completion of the transfer in question, a party to the Investment Agreement shall, at completion, enter into a deed of adherence with the Continuing Shareholders, agreeing to be bound by the terms of the Investment Agreement, in such form as the Continuing Shareholders may reasonably require (but not so as to oblige the buyer to have any obligations or liabilities greater than those of the Seller), and
 - (d) if, following a sale of Shares, the Seller holds no further Shares
 - (i) The Seller shall deliver, or procure that there are delivered to the Company, his resignation as a director of the Company and resignations from any directors appointed by him, such resignations to take effect at completion of the sale of the Sale Shares, and
 - (ii) The Seller shall automatically cease to be a party to the Investment Agreement, but without prejudice to any rights or obligations of the Seller which accrued before such cessation, including in respect of any prior breach of the Investment Agreement
- 9 3 Any transfer of Shares by way of a sale shall be deemed to include a warranty that the Seller sells the Shares with full title guarantee, free from any Encumbrances and/or any liens attached to it
- 9 4 Each of the Continuing Shareholders shall procure (so far as is lawfully possible in the exercise of his rights and powers as a shareholder of the Company) the registration (subject to due stamping by the Continuing Shareholders) of the transfers of the Sale Shares under this Article 9 and each of them consents to such transfers and registrations
- 10 Valuation of Shares**
- 10 1 The "**Fair Value**" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases
- (a) valuing each of the Sale Shares as a 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,
 - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
 - (c) the sale is to be on arms' length terms between a willing seller and a willing buyer,
 - (d) the Shares are sold free of all Encumbrances,
 - (e) the sale is taking place on the date the Valuers were requested to determine the Fair Value, and
 - (f) taking account of any other factors that the Valuers reasonably believe should be taken into account
- 10 2 The Expert Valuers shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error)

10 3 The Board will give the Expert Valuers access to all accounting records or other relevant documents of the Company subject to them agreeing such confidentiality provisions as the Board may reasonably impose

10 4 The cost of obtaining the Fair Value shall be borne as to half by the Seller and half by the Continuing Shareholders

11. Compulsory transfer

11 1 If a Bad Leaver situation occurs, the Company shall have the option (but not the obligation) to buy the Shares of the Bad Leaver at the nominal value/face value of the Shares

11 2 The shall be deemed to have given a Transfer Notice on the date falling one month after the Effective Termination Date in respect of all the Shares held by the Bad Leaver at Effective Termination Date

12. Drag-along

12 1 If the holders of 70% or more of the Shares in issue for the time being (**Selling Shareholders**) wish to transfer all (but not less than all) of their Shares (**Sellers' Shares**) in one or a series of related transactions to a bona fide purchaser (including another Shareholder) on arm's length terms (**Proposed Buyer**), the Selling Shareholders shall require all other Shareholders (**Called Shareholders**) to sell and transfer all their shares (**Called Shares**) to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article 12 (**Drag Along Option**)

12 2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholders (**Drag Along Notice**) at any time before the transfer of the Sellers' Shares to the Proposed Buyer The Drag Along Notice shall specify

- (a) that the Called Shareholders are required to transfer all their Called Shares pursuant to this Article 12,
- (b) the person to whom the Called Shares are to be transferred,
- (c) the purchase price payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per share offered by the Proposed Buyer for the Sellers' Shares, and
- (d) the proposed date of the transfer

12 3 Once issued, a Drag Along Notice shall be irrevocable However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 30 Business Days of serving the Drag Along Notice The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice

12 4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 12, expressly including the release of any representations and warranties or undertaking of any obligation following the completion of the Called Shares

12 5 Completion of the sale of the Called Shares shall take place on the Closing Date Closing Date, for the purpose of this Article 12, means the date proposed for completion of the sale of the Sellers' Shares

12 6 On or before the Closing Date, the Called Shareholders shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company On the Closing Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts due pursuant to Article 12 2 (c) to the extent that the Proposed Buyer has put the Company in the requisite funds The Company's receipt for the price shall be a good discharge to the Proposed Buyer The Company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest

- 12 7 To the extent that the Proposed Buyer has not, on the Closing Date, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this Article 12 in respect of their Shares

13. Tag-along

- 13 1 The provisions of this Article shall apply if, in one or a series of related transactions, one or more Shareholder (**Seller**) propose to transfer any of their Shares (**Proposed Transfer**) which would, if carried out, result in any person (**Buyer**) acquiring a Controlling Interest in the Company

- 13 2 Before making a Proposed Transfer, a Seller shall procure that the Buyer makes an offer (**Offer**) to the other Shareholders to purchase all of the Shares held by them for a consideration in cash per Share that is at least equal to the highest price per Share offered or paid by the Buyer, or any person **Acting in Concert** with the Buyer, according to the meaning of the City Code on Takeovers and Mergers definition, in the Proposed Transfer or in any related previous transaction in the 6 months preceding the date of the Proposed Transfer (**Specified Price**)

- 13 3 The Offer shall be made by written notice (**Offer Notice**), at least 30 Business Days before the proposed sale date (**Sale Date**) To the extent not described in any accompanying documents, the Offer Notice shall set out

- (a) the identity of the Buyer,
- (b) the Specified Price and other terms and conditions of payment,
- (c) the Sale Date, and
- (d) the number of Shares proposed to be purchased by the Buyer (**Offer Shares**)

- 13 4 If the Buyer fails to make the Offer to all of the holders of Shares in the Company in accordance with Article 13 4 and Article 13 3 the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer

- 13 5 If the Offer is accepted by any Shareholder (**Accepting Shareholder**) in writing within 15 Business Days of receipt of the Offer Notice, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders

14. General meetings

- 14 1 If the Directors are required by the Shareholders under section 303 of the Act to call a general meeting, the Directors shall convene the meeting for a date not later than 28 days after the date on which the Directors became subject to the requirement under section 303 of the Act

- 14 2 The provisions of section 318 (Quorum at meetings) of the Act shall apply to the Company

- 14 3 If any two or more Shareholders (or Qualifying Persons representing two or more Shareholders) attend the meeting in different locations, the meeting shall be treated as being held at the location specified in the notice of the meeting, save that if no one is present at that location so specified, the meeting shall be deemed to take place where the largest number of Qualifying Persons is assembled or, if no such group can be identified, at the location of the chairman

- 14 4 If a demand for a poll is withdrawn under article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made

- 14 5 Polls must be taken in such manner as the chairman directs A poll demanded on the election of a chairman or on a question of adjournment must be held immediately A poll demanded on any other

question must be held either immediately or at such time and place as the chairman directs not being more than 14 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.

14.6 No notice need be given of a poll not held immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

14.7 If the poll is to be held more than 48 hours after it was demanded the Shareholders shall be entitled to deliver Proxy Notices in respect of the poll at any time up to 24 hours before the time appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a working day.

14.8 The following matters to be considered, discussed, put to vote and passed by Shareholders are to be considered, discussed, put to vote and passed by the Board

(a) Creation of new share option scheme or variation or increase of any share option scheme in size,

(b) Any matter that from time to time the Shareholders by means of ordinary resolution delegate to the discussion and resolution of the Board

15 Proxies

15.1 Paragraph (c) of article 45(1) of the Model Articles shall be deleted and replaced by the words "is signed by or on behalf of the shareholder appointing the proxy and accompanied by any authority under which it is signed (or a certified copy of such authority or a copy of such authority in some other way approved by the directors)"

15.2 The instrument appointing a proxy and any authority under which it is signed or a certified copy of such authority or a copy in some other way approved by the Directors may

(a) be sent or supplied in hard copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as may be specified for this purpose in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote,

(b) be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the chairman or to the company secretary or to any Director, or

(c) in the case of a poll, be delivered at the meeting at which the poll was demanded to the chairman or to the company secretary or to any Director, or at the time and place at which the poll is held to the Chairman or to the company secretary or to any Director or scrutineer,

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

16. Directors' borrowing powers

The Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures, debenture stock and other securities as security for any debt, liability or obligation of the Company or of any third party.

17 Number of Directors

Unless and until the Company shall otherwise determine by ordinary resolution, the number of Directors shall be not less than three (3) and not exceed five (5)

18. Appointment of Directors

18 1 In addition to the powers of appointment under article 17(1) of the Model Articles, at the Commencement date, the Board of Directors of the Company shall be composed of 5 (five) Directors as follows

- (a) Three (3) Directors nominated by
- (b) Ordinary A Shareholders, to be appointed by the holder(s) of the majority of the Ordinary A Shares in issue from time to time, and one of those shall be the Chairman of the Board of Directors, and
- (c) Two (2) Director nominated by Ordinary B Shareholders (for so long as Ordinary B Shareholders in aggregate hold not less than 10% of the Equity Shares in issue), to be appointed by the holder(s) of the majority of Ordinary B Shareholders

18 2 When the Board has 3 (three) members, its composition shall be defined as follows

- (a) Two (2) Directors nominated by Ordinary A Shareholders, to be appointed by the holder(s) of the majority of the Ordinary A Shares in issue from time to time, and one of those shall be the Chairman of the Board of Directors, and
- (b) One (1) Directors nominated by Ordinary B Shareholders (for so long as Ordinary B Shareholders in aggregate hold not less than 10% of the Equity Shares in issue), to be appointed by the holder(s) of the majority of Ordinary B Shareholders

18 3 An appointment or removal of a Director shall be in compliance with the provisions set out under Articles 18 1 and 18 2 will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the directors of the Company

18 4 For as long as Ordinary B Shareholders shall hold in aggregate 10% of the issued share capital of the Company, they shall be entitled to appoint and remove one Director

19 Disqualification of Directors

In addition to that provided in article 18 of the Model Articles, the office of a Director shall also be vacated if (i) he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated, or (ii) in the case of the Directors is appointed in accordance with Articles 18 1 and 18 2, if a majority of his co-Directors serve notice on him in writing, removing him from office

20. Proceedings of Directors

20 1 The quorum for Directors' meetings shall be the majority of the Directors. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or at such time and place as determined by the Directors present at such meeting. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed

20 2 If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participants in number is assembled. In the absence of a majority the location of the chairman shall be deemed to be the place of the meeting

- 20 3 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 at any time before or 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.
- 20 4 Provided (if these Articles so require) that he has declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a Relevant Interest), a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting.
- 20 5 Except as provided in Article 20 6, questions arising at any meeting of the Directors shall be decided by a majority of votes where each Director is represented by one (1) vote. In the case of any equality of votes, the chairman shall have a second or casting vote.
- 20 6 The matters set out in this Article 20 6 shall be resolved upon, decided and passed by a majority Shareholders provided such matters are not contested by Ordinary B Shareholders holding in aggregate at least 12% of fully diluted share capital of the Company (or in accordance with sections 282 and 283 of the Act)
- (a) Any sale, transfer, lease, assignment or other disposal of the whole or substantially the whole of the undertaking of the Company's undertaking, property and/or assets or contract to do so
 - (b) Any change of the name of the Company or any licence of the name of the Company to any other person except in the proper course of Business
 - (c) Any substantial change in the nature of the Business
 - (d) Any payment to a Shareholder, Director, Employee or consultant of the Company of any salaries, fees, bonuses except as reasonable and customary in the industry, and above £100 000
 - (e) Any material alteration of the articles of association of the Company
 - (f) Any modification, variation or abrogation of the rights attaching to any class of Shares, including the creation of additional classes of Shares ranking in any respect in priority to the Ordinary A Shares
 - (g) Passing any resolution to liquidate the Company
 - (h) Enter into any Financial Indebtedness having a value or involving or likely to involve liabilities for the Company in aggregate in excess of £1,000,000 with any banking, financial, lender or other similar institution or organisation
- 20 7 A decision of the Directors 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 (including confirmation given by electronic means). Reference in article 7(1) of the Model Articles to article 8 of the Model Articles shall be deemed to include a reference to this article also.

21. Directors' interests

Specific interests of a Director

- 21 1 Subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest,

a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind

- (a) where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested,
- (b) where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested,
- (c) where a Director (or a person connected with him) is a shareholder in the Company or a shareholder in, employee, director, member or other officer of, or consultant to, a Parent Undertaking of, or a Subsidiary Undertaking of a Parent Undertaking of, the Company,
- (d) where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested,
- (e) where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or anybody corporate in which the Company is in any way interested,
- (f) where a Director (or a person connected with him or of which he is a member or employee) acts (or anybody corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or anybody corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this,
- (g) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest, or
- (h) any other interest authorised by ordinary resolution

Interests of which a Director is not aware

- 21 2 For the purposes of this Article 21, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his

Accountability of any benefit and validity of a contract

- 21 3 In any situation permitted by this Article 21 (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit

Terms and conditions of Board authorisation

- 21 4 Subject to Article 21 6, any authority given in accordance with section 175(5)(a) of the Act in respect of a Director ("**Interested Director**") who has proposed that the Directors authorise his interest ("**Relevant Interest**") pursuant to that section may, for the avoidance of doubt

- (a) be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors as they see fit from time to time, including, without limitation

- (i) restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest. For avoidance of doubt, this provision shall not apply with respect to an interest under 21 1 (c),
 - (ii) restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed. For avoidance of doubt, this provision shall not apply with respect to an interest under 21 1 (c), or
 - (iii) restricting the application of the provisions in Articles 21 7 and 21 8, so far as is permitted by law, in respect of such Interested Director,
- (b) be withdrawn, or varied at any time by the Directors entitled to authorise the Relevant Situation as they see fit from time to time, and

subject to Article 21 6, an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this Article 21

Director's duty of confidentiality to a person other than the Company

- 21 5 Subject to Article 21 7 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 21), if a Director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required
- (a) to disclose such information to the Company or to any Director, or to any officer or employee of the Company, or
 - (b) otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director

- 21 6 Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 21 6 shall apply only if the conflict arises out of a matter which falls within Article 21 1 or Article 21 2 or has been authorised under section 175(5)(a) of the Act

Additional steps to be taken by a Director to manage a conflict of interest

- 21 7 Where a Director has an interest that can reasonably be regarded as likely to give rise to a conflict of interest, the Director may take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation
- (a) absenting himself from any discussions, whether in meetings of the Directors or otherwise, at which the relevant situation or matter falls to be considered, and
 - (b) excluding himself from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information

Requirement of a Director to declare an interest

- 21 8 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 21 1 or Article 21 2 at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest
- (a) falling under Article 23 1,
 - (b) if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware), or
 - (c) if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles

Shareholder approval

- 21 9 Subject to section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article 21
- 21 10 For the purposes of this Article 21
- (a) a conflict of interest includes a conflict of interest and duty and a conflict of duties,
 - (b) the provisions of section 252 of the Act shall determine whether a person is connected with a Director,
 - (c) a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified

22. Notices

- 22 1 Subject to the requirements set out in the Act, any notice given or document sent or supplied to or by any person under these Articles, or otherwise sent by the Company under the Act, may be given, sent or supplied
- (a) in hard copy form,
 - (b) in electronic form, or
 - (c) (by the Company) by means of a website (other than notices calling a meeting of Directors),
- or partly by one of these means and partly by another of these means

Notices shall be given and documents supplied in accordance with the procedures set out in the Act, except to the extent that a contrary provision is set out in this Article 22

Notices in hard copy form

- 22 2 Any notice or other document in hard copy form given or supplied under these Articles may be delivered or sent by first class post (airmail if overseas)

- (a) to the Company or any other company at its registered office, or
- (b) to the address notified to or by the Company for that purpose, or
- (c) in the case of an intended recipient who is a member or his legal personal representative or trustee in bankruptcy, to such member's address as shown in the Company's register of members, or
- (d) in the case of an intended recipient who is a Director or alternate, to his address as shown in the register of Directors, or
- (e) to any other address to which any provision of the Companies Acts (as defined in the Act) authorises the document or information to be sent or supplied, or
- (f) where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in (a) to (e) above, to the intended recipient's last address known to the Company

22 3 Any notice or other document in hard copy form given or supplied under these Articles shall be deemed to have been served and be effective

- (a) if delivered, at the time of delivery,
- (b) if posted, on receipt or 48 hours after the time it was posted, whichever occurs first

Notices in electronic form

22 4 Subject to the provisions of the Act, any notice or other document in electronic form given or supplied under these Articles may

- (a) if sent by fax or email (provided that a fax number or an address for email has been notified to or by the Company for that purpose), be sent by the relevant form of communication to that address,
- (b) if delivered or sent by first class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard copy form under Article 22 2, or
- (c) be sent by such other electronic means (as defined in section 1168 of the Act) and to such address(es) as the Company may specify
 - (i) on its website from time to time, or
 - (ii) by notice (in hard copy or electronic form) to all members of the Company from time to time

22 5 Any notice or other document in electronic form given or supplied under these Articles shall be deemed to have been served and be effective

- (a) if sent by facsimile or email (where a fax number or an address for email has been notified to or by the Company for that purpose), on receipt or 48 hours after the time it was sent, whichever occurs first,
- (b) if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first,
- (c) if delivered in an electronic form, at the time of delivery, and

- (d) if sent by any other electronic means as referred to in Article 22 4(c), at the time such delivery is deemed to occur under the Act

22 6 Where the Company is able to show that any notice or other document given or sent under these Articles by electronic means was properly addressed with the electronic address supplied by the intended recipient, the giving or sending of that notice or other document shall be effective notwithstanding any receipt by the Company at any time of notice either that such method of communication has failed or of the intended recipient's non-receipt

Notice by means of a website

22 7 Subject to the provisions of the Act, any notice or other document or information to be given, sent or supplied by the Company to Shareholders under these Articles may be given, sent or supplied by the Company by making it available on the Company's website

General

22 8 In the case of joint holders of a share all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding (the "**Primary Holder**") Notice so given shall constitute notice to all the joint holders

22 9 Anything agreed or specified by the Primary Holder in relation to the service, sending or supply of notices, documents or other information shall be treated as the agreement or specification of all the joint holders in their capacity as such (whether for the purposes of the Act or otherwise)

23 Indemnities and insurance

23 1 Subject to the provisions of and so far as may be permitted by, the Act

(a) every Director or other officer of the Company (excluding the Company's auditors) shall be entitled to be indemnified by the Company (and the Company shall also be able to indemnify directors of any associated company (as defined in section 256 of the Act)) out of the Company's assets against all liabilities incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, provided that no director of the Company or any associated company is indemnified by the Company against

(i) any liability incurred by the director to the Company or any associated company, or

(ii) any liability incurred by the director to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance, due to fraud or wilful misconduct, with any requirements of a regulatory nature, or

(iii) any liability incurred by the director

(A) in defending any criminal proceedings in which he is convicted,

(B) in defending civil proceedings brought by the Company or any associated company in which final judgment (within the meaning set out in section 234 of the Act) is given against him, or

(C) in connection with any application under sections 661(3) or 661(4) or 1157 of the Act (as the case may be) for which the court refuses to grant him relief,

save that, in respect of a provision indemnifying a director of a company (whether or not the Company) that is a trustee of an occupational pension scheme (as that term is used in section

235 of the Act) against liability incurred in connection with that company's activities as trustee of the scheme, the Company shall also be able to indemnify any such director without the restrictions in Articles 23 1(a)(i), 23 1(a)(iii)(B) and 23 1(a)(iii)(C) applying,

- (b) the Directors may exercise all the powers of the Company to purchase and maintain insurance for any such Director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company, or any associated company including (if he is a director of a company which is a trustee of an occupational pension scheme) in connection with that company's activities as trustee of an occupational pension scheme

- 23 2 The Company shall (at the cost of the Company) effect and maintain for each Director policies of insurance insuring each Director against risks in relation to his office as each director may reasonably specify including without limitation, any liability which by virtue of any rule of law may attach to him in respect of any negligence, default of duty or breach of trust of which he may be guilty in relation to the Company

24 Secretary

Subject to the provisions of the Act, the Directors may appoint a secretary for such term, at such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them

25. Lien

- 25 1 The company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share The directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation The company's lien on a share shall extend to any amount payable in respect of it

- 25 2 The company may sell in such manner as the directors determine any shares on which the company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold

- 25 3 To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser The title of the transferee of the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale

- 25 4 The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of sale

26. Calls on shares and forfeiture

- 26 1 Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the company as required by the notice the amount called on his shares A call may be required to be paid by instalments A call may, before receipt by the company of any sum due thereunder, be revoked in whole or in part and payment of a call may be postponed in whole or part A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made

- 26 2 A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was made
- 26 3 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof
- 26 4 If a call remains unpaid after it becomes due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part
- 26 5 An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment or call, shall be deemed to be a call and if it is not paid the provisions of the articles shall apply as if that amount had become due and payable by virtue of a call
- 26 6 Subject to the terms of allotment, the directors may make arrangement on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares
- 26 7 If a call remains after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited
- 26 8 If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture
- 26 9 Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person
- 26 10 A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the company for cancellation the certificate for the shares forfeited but shall remain liable to the company for all moneys which at the date of forfeiture were presently payable by him to the company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal
- 26 11 A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share