
ARTICLES OF ASSOCIATION

of

UK MEDS DIRECT LIMITED

Brabners

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Company number: 10225625

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

UK MEDS DIRECT LIMITED (the Company)

1. Interpretation

1.1 In these Articles the following words and expressions have the following meanings unless the context otherwise requires:

Act	means the Companies Act 2006;
Available Profits	means profits available for the distribution within the meaning of Part 23 of the Act;
Board	means the board of Directors from time to time;
Business Day	means a day other than a Saturday or Sunday or public holiday in England;
Compulsory Transfer Notice and Compulsory Transferor	each have the respective meanings given in Article 21.2;
Controlling Shareholder	means a Member which is the registered holder of not less than 75% in nominal value of the equity share capital of the Company from time to time;
Directors	means the directors for the time being of the Company or a quorum of such directors present at a duly convened meeting of the directors;
EBT	means an employee benefit trust established by the Company from time to time;
Eligible Director	means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter);
Employee Member	means a Member who is, or has been, a director and/or an Employee;
Employees	means the employees of the Company (from time to time);
EOT	means The UK Meds Direct Employee Ownership Trust established by the Original Trustee and the Company on or about the date of the adoption of these Articles or any subsequent trust established for the benefit of the Employees to which the assets of the previous EOT have been transferred, and where appropriate includes the trustee(s) thereof;
EO Principles	means the operating principles of the Company to be set out from time to time by the Board and as shall be approved by the Trustee in furtherance of the Company being in employee ownership with a partnership culture;

Governance Agreement	means any governance (or similar) agreement between (inter alia) the Members and the Company (as such agreement may be amended, varied or supplemented from time to time);
Issue Price	means, in relation to any Share, the amount paid up or credited as paid up on it;
Leaver	means an Employee Member who ceases to be an Employee (for whatever reason);
Lien Enforcement Notice	has the meaning given in Article 13.4.1;
Member	means a registered holder for the time being of Shares;
Model Articles	means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229);
Notice Date	has the meaning given in Article 20.5;
Original Trustee	means UK Meds Direct (EOT) Limited (a company limited by guarantee and registered in England and Wales with company number 15568737);
Prescribed Period	means the period commencing on the Notice Date (as defined in Article 20.4) and ending on the last day of either the First Offer Period, the Second Offer Period or the Third Offer Period in accordance with Article 20.8, 20.9 or 20.10 (as applicable);
Proposed Price	has the meaning given in Article 20.2.3;
Proposing Transferor	has the meaning given in Article 20.2;
Sale Price	has the meaning given in Article 20.5;
Shares	means the 10,000 ordinary shares of £0.01 each in the capital of the Company having the rights and subject to the restrictions set out in these Articles;
Third Party Purchaser	means an individual or body corporate not being a Member or an associate (within the meaning of section 435 of the Insolvency Act 1986) of a Member (but excluding any successor Trustee);
Total Transfer Condition	has the meaning given in Article 20.2.4;
Transfer Notice	means a notice in accordance with Article 20.2 that a Member desires to transfer his Shares;
Trustee	means the trustee(s) (from time to time) of the EOT;
Valuers	means a firm of chartered accountants agreed between the Proposing Transferor and the Directors (with the written consent of the Trustee) or, in default of agreement within 10 Business Days of the first name being proposed by either of them, the auditors or reporting accountants of the Company;
Valuers' Price	has the meaning given in Article 20.5.2.

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have

particular meanings in the Act shall have the same meanings in these Articles but excluding any statutory modification of them not in force on the date when these Articles become binding on the Company.

1.3 In these Articles a reference to:

1.3.1 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

1.3.2 these Articles is to these articles of association (including the provisions of the Model Articles incorporated therein), 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.

1.5 Words importing the singular include the plural and vice versa and words importing a gender include every gender.

1.6 Any question as to whether a person is connected with another shall be determined in accordance with sections 1122 and 1123 of the Corporation Tax Act 2010 (except that in construing section 1122 control has the meaning given by section 1124 or section 450 and 451 of that Act so that there is control whenever section 1124 or 450 and 451 requires) which shall apply in relation to these Articles as it applies in relation to that Act.

1.7 Save as expressly provided otherwise in these 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.

1.8 The Contracts (Rights of Third Parties) Act 1999 shall not apply to any rights under these Articles.

2. Model Articles

2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.

2.2 Articles 6(2), 11 to 14 (inclusive), 16, 22, 26(5), 27 to 29 (inclusive), 36, 38, 43, 44(2), 49 and 50 to 53 (inclusive) of the Model Articles shall not apply to the Company.

2.3 Article 20 of the Model Articles shall be amended by the insertion of the words “(including alternate directors)” before the words “properly incur”.

2.4 Articles 31(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words “either” and “or as the directors may otherwise decide”.

3. **Company’s objects**

3.1 The objects of the Company are to promote the success of the Company:

3.1.1 for the benefit of its members as a whole; and

3.1.2 through the Company’s business and operations, in accordance with the EO Principles taken as a whole.

3.2 A Director must act in the way he considers, in good faith, most likely to promote the success of the Company in achieving the objects set out in Article 3.1, and in doing so shall have regard (amongst other matters) to:

3.2.1 the likely consequences of any decision of the Directors in the long term and the impact

any such decision may have on, or in relation to, the EOT; and

3.2.2 the interests of the Employees.

3.3 Nothing in this Article 3 express or implied, is intended to or shall create or grant any right or any cause of action to, by or for any person (other than the Company).

4. Directors' meetings

4.1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with Article 5.

4.2 Subject as provided in these Articles, the Directors may participate in Directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.

5. Decisions of Directors

5.1 All decisions made at any meeting of the Directors or of any committee of the Directors shall be made only by resolution, and no such resolution shall be passed unless there is a majority vote for it. Each Eligible Director has one vote at a meeting of Directors.

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

5.3 A decision may not be taken in accordance with this Article if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter.

5.4 In making any decision, the Directors shall have proper regard to the Company's objects as set out in Article 3 (and article 7 of the Model Articles shall be construed accordingly).

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

5.6 The Directors may delegate any of the powers which are conferred on them under these Articles to a committee of Directors, and any such committee must follow procedures which are based as far as they are applicable on those provisions of these Articles which govern the taking of decisions by Directors.

6. Number of Directors and quorum

6.1 Unless and until determined otherwise by a Members resolution, the minimum number of Directors shall be one and there shall be no maximum number of Directors. No shareholding qualification for Directors shall be required.

6.2 The quorum at any meeting of the Directors shall be two Directors (unless only one Director shall have been appointed in which case the quorum shall be one Director). For the purposes of any meeting (or part of a meeting) held for the purpose of authorising a Conflict, if there is only one Eligible Director in office other than the Interested Director(s) (as defined in Article 8.1), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.

6.3 If the total number of Directors in office for the time being is less than the quorum required, the Directors must not take any decision other than a decision:

6.3.1 to appoint further Directors; or

6.3.2 to call a general meeting so as to enable the shareholders to appoint further Directors.

7. Casting vote

If the numbers of votes for and against a proposal at a meeting of Directors are equal, the chairperson or other Director chairing the meeting shall not have a casting vote.

8. Directors' interests

8.1 The Directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any Director which would, if not so authorised, involve a Director (the Interested Director) breaching his duty under section 175 of the Act to avoid

- conflicts of interest (a Conflict).
- 8.2 Any authorisation of a Conflict under this Article may (whether at the time of giving the authorisation or subsequently):
- 8.2.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 8.2.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
 - 8.2.3 provide that the Interested Director 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 related to the Conflict;
 - 8.2.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
 - 8.2.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
 - 8.2.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 8.3 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Members in relation to the Conflict.
- 8.4 The Directors may revoke or vary such authorisation at any time but this will not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.
- 8.5 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 8.6 Subject to sections 177(5) and 177(6) of the Act, a Director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other Directors before the Company enters into the transaction or arrangement in accordance with the Act.
- 8.7 Subject to sections 182(5) and 182(6) of the Act, a Director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other Directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under Article 8.6.
- 8.8 Subject, where applicable, to any terms and conditions imposed by the Directors in accordance with Article 8.2, and provided a Director has declared the nature and extent of his 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:
- 8.8.1 may be a party to, or otherwise interested in, any such transaction or arrangement with the Company, or in which the Company is otherwise (directly or indirectly) interested;
 - 8.8.2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of Directors) in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;
 - 8.8.3 shall be entitled to vote at a meeting of Directors (or of a committee of Directors) or

participate in any unanimous decision, in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;

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

8.8.5 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

8.8.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the 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 duty under section 176 of the Act.

9. Alternate Directors

9.1 Any Director (the appointor) may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to:

9.1.1 exercise that Director's powers; and

9.1.2 carry out that Director's responsibilities,

in relation to the taking of decisions by the Directors, in the absence of the alternate's appointor.

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

9.3 The notice must:

9.3.1 identify the proposed alternate; and

9.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.

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

9.5 Except as these Articles specify otherwise, alternate directors:

9.5.1 are deemed for all purposes to be Directors;

9.5.2 are liable for their own acts and omissions;

9.5.3 are subject to the same restrictions as their appointors; and

9.5.4 are not deemed to be agents of or for their appointors;

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

9.6 A person who is an alternate director but not a Director:

9.6.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating); and

9.6.2 may participate in a unanimous decision of the Directors (but only if his appointor is an Eligible Director in relation to that decision, but does not participate).

9.7 A Director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the Directors (provided that his appointor is an Eligible Director in relation to that decision).

9.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be entitled to receive any remuneration from the

Company for serving as an alternate director except such part of the appointor's remuneration as the appointor may direct by notice in writing made to the Company.

9.9 An alternate director's appointment as an alternate terminates:

- 9.9.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- 9.9.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director;
- 9.9.3 on the death of the alternate's appointor; or
- 9.9.4 when the alternate's appointor's appointment as a Director terminates.

10. Secretary

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

11. Share rights

11.1 The Company shall apply Available Profits as the Board shall resolve to distribute by way of dividend amongst the holders of the Shares in respect of their holding of such Shares pro rata to the number of such Shares held by each of them. If:

11.1.1 a Share is subject to the Company's lien; and

11.1.2 the Directors are entitled to issue a Lien Enforcement Notice in respect of it,

they may, instead of issuing a Lien Enforcement Notice, deduct from any dividend or other sum payable in respect of the Share any sum of money which is payable to the Company in respect of that Share to the extent that they are entitled to require payment under a Lien Enforcement Notice. Money so deducted shall be used to pay any of the sums payable in respect of that Share. The Company shall notify the distribution recipient in writing of the fact and sum of any such deduction.

11.2 As regards voting in general meetings the holders of the Shares shall be entitled to receive notice of, and to attend and vote at, general meetings of the Company.

11.3 On a show of hands every Member 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 every Member so present shall have one vote for each Share held by him.

11.4 As regards the distribution of capital, on a winding up (or otherwise), the Members shall be entitled to the proceeds or (as applicable) the assets of the Company remaining after the payment of its liabilities (on a pari passu basis and pro rata to the number of Shares held by each of them).

12. Issue of Shares

12.1 Subject to Articles 12.2 to 12.4, the Directors are generally and unconditionally authorised for the purposes of section 551 of the Act to exercise any power of the Company to allot any Shares or grant any rights to subscribe for Shares as may from time to time be authorised by the Company by ordinary resolution.

12.2 Other than as may be determined by special resolution of the Company passed in accordance with section 283 of the Act, any unissued Shares from time to time shall, before they are issued, be offered to all the holders of the Shares in proportion to the amounts (excluding any premium paid on subscription) paid up on the Shares held by them respectively (and each such offer shall be at the same price and on the same terms to each such Member).

- 12.3 Such offer shall be made by notice specifying the number of Shares offered, the proportionate entitlement of the relevant Member, the price per Share and limiting a period (being not less than 20 Business Days) within which the offer, if not accepted, will be deemed to be declined. After the expiration of such period the Directors shall offer the Shares so declined to the persons who have, within the said period, accepted all the Shares offered to them in the same manner as the original offer and limited by a period of not less than 10 Business Days. If any Shares comprised in such further offer are declined or deemed to be declined such further offer shall be withdrawn in respect of such Shares. At the expiration of the time limited by the notice(s) the Directors shall allot the Shares so offered to or amongst the Members who have notified their willingness to take all or any of such Shares in accordance with the terms of the offer. No Member shall be obliged to take more than the maximum number of Shares he has indicated his willingness to take.
- 12.4 In respect of any Shares not accepted pursuant to Article 12.3 above or not capable of being so offered except by way of fractions or in respect of any Shares released from the provisions of Article 12.2 by special resolution as therein specified, shall be at the disposal of the Company and the Directors may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think proper, provided that no Shares shall be issued at a discount and provided further that, in the case of Shares not accepted as aforesaid, such Shares shall not be disposed of on terms which are more favourable to the subscribers thereof than the terms on which they were offered to the relevant Members, or at a discount. No Share shall be issued more than three months after the end of the period for the acceptance of the last offer made under Article 12.3 unless the procedure in Article 12.3 and this Article 12.4 is repeated in relation to that Share.
- 12.5 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act).
13. Company's lien over partly paid Shares
- 13.1 The Company has a lien (the Company's lien) over every Share which is partly paid for any part of:
- 13.1.1 that Share's nominal value; and
- 13.1.2 any premium at which it was issued,
- which has not been paid to the Company, and which is payable immediately or at some time in the future, whether or not a call notice has been sent in respect of it.
- 13.2 The Company's lien over a Share:
- 13.2.1 takes priority over any third party's interest in that Share; and
- 13.2.2 extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.
- 13.3 The Directors may at any time decide that a Share which is or would otherwise be subject to the Company's lien shall not be subject to it, either wholly or in part.
- 13.4 Subject to the remaining provisions of this Article 13 and Article 14 if:
- 13.4.1 a notice complying with Article 13.5 (a Lien Enforcement Notice) has been given in respect of a Share; and
- 13.4.2 the person to whom the notice was given has failed to comply with it,
- the Company may sell that Share in such manner as the Directors decide.
- 13.5 A Lien Enforcement Notice:

- 13.5.1 may only be given in respect of a Share which is subject to the Company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
 - 13.5.2 must specify the Share concerned;
 - 13.5.3 must require payment of the sum payable within 10 Business Days of the notice;
 - 13.5.4 must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and
 - 13.5.5 must state the Company's intention to sell the Share if the notice is not complied with.
- 13.6 Where Shares are sold under Article 13.4:
 - 13.6.1 the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser; and
 - 13.6.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- 13.7 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
 - 13.7.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice;
 - 13.7.2 second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation or a suitable indemnity has been given for any lost certificates, and subject to a lien equivalent to the Company's lien over the Shares before the sale for any money payable in respect of the Shares after the date of the lien enforcement notice.
- 13.8 A statutory declaration by a Director that the declarant is a Director and that a Share has been sold to satisfy the Company's lien on a specified date:
 - 13.8.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
 - 13.8.2 subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the Share.
- 14. Call notices
 - 14.1 Subject to the Articles and the terms on which Shares are allotted, the Directors may send a notice (a call notice) to a Member requiring the Member to pay the Company a specified sum of money (a call) which is payable in respect of Shares which that Member holds at the date when the Directors decide to send the call notice.
 - 14.2 A call notice:
 - 14.2.1 may not require a Member to pay a call which exceeds the total sum unpaid on that Member's Shares (whether as to the Share's nominal value or any amount payable to the Company by way of premium);
 - 14.2.2 must state when and how any call to which it relates it is to be paid; and
 - 14.2.3 may permit or require the call to be paid by instalments.

- 14.3 A Member must comply with the requirements of a call notice, but no Member is obliged to pay any call before 10 Business Days have passed since the notice was sent.
- 14.4 Before the Company has received any call due under a call notice the Directors may:
- 14.4.1 revoke it wholly or in part; or
- 14.4.2 specify a later time for payment than is specified in the notice,
- by a further notice in writing to the Member in respect of whose Shares the call is made.
- 14.5 Neither the relevant Member nor any Director who is a representative of the relevant Member shall be entitled to vote on any resolution (either at any general meeting of the Company or at a meeting of the Directors) in respect of making any such call or the enforcement of any security which the Company may have in respect of such unpaid monies.
- 14.6 Liability to pay a call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid.
- 14.7 Joint holders of a Share are jointly and severally liable to pay all calls in respect of that Share.
- 14.8 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that call notices sent to the holders of those Shares may require them:
- 14.8.1 to pay calls which are not the same; or
- 14.8.2 to pay calls at different times.
- 14.9 A call notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium):
- 14.9.1 on allotment;
- 14.9.2 on the occurrence of a particular event; or
- 14.9.3 on a date fixed by or in accordance with the terms of issue,
- but if the due date for payment of such a sum has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum and is liable to the same consequences as regards the payment of interest and forfeiture.
- 14.10 If a person is liable to pay a call and fails to do so by the call payment date:
- 14.10.1 the Directors may issue a notice of intended forfeiture to that person; and
- 14.10.2 until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate.
- 14.11 For the purposes of Article 14.10:
- 14.11.1 the call payment date is the time when the call notice states that a call is payable, unless the Directors give a notice specifying a later date, in which case the call payment date is that later date;
- 14.11.2 the relevant rate is:
- 14.11.3 the rate fixed by the terms on which the Share in respect of which the call is due was allotted;

- 14.11.4 such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the Directors; or
 - 14.11.5 if no rate is fixed in either of these ways, 5 per cent per annum.
- 14.12 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.
- 14.13 The Directors may waive any obligation to pay interest on a call wholly or in part.
- 15. Forfeiture of Shares
 - 15.1 A notice of intended forfeiture:
 - 15.1.1 may be sent in respect of any Share in respect of which a call has not been paid as required by a call notice;
 - 15.1.2 must be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise;
 - 15.1.3 must require payment of the call and any accrued interest by a date which is not less than 10 Business Days after the date of the notice;
 - 15.1.4 must state how the payment is to be made; and
 - 15.1.5 must state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited.
 - 15.2 If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the Directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.
 - 15.3 Subject to the Articles, the forfeiture of a Share extinguishes:
 - 15.3.1 all interests in that Share, and all claims and demands against the Company in respect of it; and
 - 15.3.2 all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.
 - 15.4 Any Share which is forfeited in accordance with the Articles:
 - 15.4.1 is deemed to have been forfeited when the Directors decide that it is forfeited;
 - 15.4.2 is deemed to be the property of the Company; and
 - 15.4.3 may be sold, re-allotted or otherwise disposed of as the Directors think fit.
 - 15.5 If a person's Shares have been forfeited:
 - 15.5.1 the Company must send that person notice that forfeiture has occurred and record it in the register of members;
 - 15.5.2 that person ceases to be a Member in respect of those Shares;
 - 15.5.3 that person must surrender the certificate for the Shares forfeited to the Company for cancellation;

- 15.5.4 that person remains liable to the Company for all sums payable by that person under these Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
- 15.5.5 the Directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- 15.6 At any time before the Company disposes of a forfeited Share, the Directors may decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit.
- 15.7 If a forfeited Share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the Directors may authorise any person to execute the instrument of transfer.
- 15.8 A statutory declaration by a Director that the declarant is a Director and that a Share has been forfeited on a specified date:
 - 15.8.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
 - 15.8.2 subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the Share.
- 15.9 A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.
- 15.10 If the Company sells a forfeited Share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which:
 - 15.10.1 was, or would have become, payable; and
 - 15.10.2 had not, when that Share was forfeited, been paid by that person in respect of that Share,but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.
- 16. Surrender of Shares
- 16.1 A Member may surrender any Share:
 - 16.1.1 in respect of which the Directors may issue a notice of intended forfeiture;
 - 16.1.2 which the Directors may forfeit; or
 - 16.1.3 which has been forfeited.
- 16.2 The Directors may accept the surrender of any such Share.
- 16.3 The effect of surrender on a Share is the same as the effect of forfeiture on that Share.
- 16.4 A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited.

17. Variation of class rights

Whenever the capital of the Company is divided into different classes of shares, the special rights attached to any class may 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 75% of the issued shares of that class, but not otherwise. To every such class meeting, the provisions of these Articles relating to general meetings shall apply mutatis mutandis but so that the necessary quorum will be one person present in person or by proxy holding at least one third of the issued Shares of the relevant class, who may, if so required, demand a poll.

18. Transfer of Shares

18.1 Shares may be transferred by transfer in writing in usual common form or in any other form approved by the Directors. The instrument of transfer shall be signed by or on behalf of the transferor and, when the Share is not fully paid, shall also be signed by the transferee.

18.2 The Directors may decline to recognise any instrument of transfer unless the instrument of transfer is duly stamped and is accompanied by the relevant share certificate and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do). All instruments of transfer which are registered may be retained by the Company.

18.3 Notwithstanding any other provision of these Articles, the Board 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 Board) is of unsound mind or unless the transfer is made in accordance with these Articles. In either case if the transferee is not already a party to the Governance Agreement, he must have entered into a deed of adherence to, and in the form required by, the Governance Agreement.

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

19. Permitted transfers

19.1 Any Shares may at any time be transferred:

19.1.1 to the Trustee (on terms as shall be approved by the Trustee (acting in its absolute discretion));

19.1.2 on any change of trustee(s) of the EOT, to any new trustee(s) of the EOT;

19.1.3 to the trustee(s) of any EBT;

19.1.4 on any change of trustee(s) of any EBT, to any new trustee(s) of such EBT; or

19.1.5 to any person with the prior written consent of the Trustee.

20. Pre-emption on transfer

20.1 Save for any transfer made in accordance with Article 19, Article 22 or Article 23, the right to transfer Shares or any interest in Shares shall be subject to the following restrictions and provisions. References in this Article 20 to Shares or Sale Shares shall include any interest in and grant of contractual rights or options over or in respect of such Shares.

20.2 Any Member (the Proposing Transferor) proposing to transfer any Shares (the Sale Shares), shall be required before effecting, or purporting to effect the transfer, to give a notice in writing to the Company (a Transfer Notice). The Transfer Notice shall specify:

20.2.1 that he desires to transfer the Sale Shares;

20.2.2 whether or not he has received an offer from a Third Party Purchaser for the Sale Shares and if so the identity of such Third Party Purchaser and the price so offered;

20.2.3 the price at which he is prepared to sell the Sale Shares in accordance with the

following provisions of this Article 20 (the Proposed Price); and

- 20.2.4 whether the Proposing Transferor wishes to impose a condition that unless all of the Sale Shares are sold pursuant to this Article 20 none shall be sold (a Total Transfer Condition), but in the absence of such statement the Transfer Notice shall be deemed not to contain a Total Transfer Condition.
- 20.3 The Transfer Notice shall constitute the Company as his agent for the sale of the Sale Shares (together with all rights then attached thereto) during the Prescribed Period to any Members on the basis set out in the following provisions of this Article 20 and shall not be revocable except with the consent of the Directors or in accordance with Article 20.6.
- 20.4 In the event that the Transfer Notice contains a Total Transfer Condition, then no offer of Sale Shares made by the Company pursuant to this Article 20 shall be capable of acceptance until all the Sale Shares have been accepted in accordance with the following provisions of this Article 20. If the Company does not receive acceptances in respect of all the Sale Shares within the periods specified in this Article 20, it shall forthwith give notice in writing of that fact to each of the Members (including the Proposing Transferor) and the Proposing Transferor shall be entitled to offer all (but not part of) the Sale Shares to the Third Party Purchaser specified in the Transfer Notice, at the price specified in the Transfer Notice, in accordance with Article 20.2.
- 20.5 The Sale Shares shall be offered for purchase in accordance with this Article 20 at a price per Sale Share (the Sale Price) as agreed between the Proposing Transferor and the Directors (with the written consent of the Trustee) or, in default of such agreement (or absence of such consent) within 15 Business Days after the date of service of the Transfer Notice (the Notice Date), the lower of:
 - 20.5.1 the Proposed Price; and
 - 20.5.2 the price per Sale Share (the Valuers' Price) as determined by the Valuers in accordance with Article 20.6.
- 20.6 If the Sale Price shall not have been agreed between the Proposing Transferor and the Directors within the time limit prescribed in Article 20.4, then the Directors shall immediately following the expiry of such period refer the matter to the Valuers and the Valuers shall determine and certify the sum per Share, with all classes of shares being valued equally for the purposes of the valuation, considered by them to be the fair value thereof as at the Notice Date in accordance with the principles set out in Article 20.7. The Valuers shall act as experts and not as arbitrators and their determination shall be final and binding on all persons concerned and (in the absence of fraud or manifest error) they shall be under no liability to any such person by reason of their determination or certificate or by anything done or omitted to be done by them for the purpose thereof or in connection therewith. The cost and expense of the Valuers shall be borne by the Company save where the price determined by the Valuers is higher than the price offered by the Directors during the discussions referred to at Article 20.4, in which case the costs and expenses of the Valuers shall be borne by the Proposing Transferor. Other than in respect of any Transfer Notice which is served (or deemed served) pursuant to Article 21, the Proposing Transferor may withdraw the Transfer Notice within 5 Business Days of the Valuers' Price being notified to him.
- 20.7 If the Valuers are required to determine fair value pursuant to Article 20.6, then fair value will be determined by the Valuers valuing the Company as a whole:
 - 20.7.1 assuming, if the Company is then carrying on business as a going concern, that it will continue to do so;
 - 20.7.2 assuming that the entire issued share capital of the Company is being sold as between a willing buyer and a willing seller by arm's-length private treaty for cash payable in full on completion;
 - 20.7.3 taking account of any Shares which may be allotted pursuant to options which have been issued by the Company and which are still outstanding;
 - 20.7.4 taking account of any bona fide offer for the Company received from an unconnected third party within six months prior to the Transfer Notice being served;

- 20.7.5 taking account of any arrears, accruals or deficiencies of dividend on Shares;
 - 20.7.6 disregarding whether the Shares concerned represent a majority or a minority interest and disregarding the restriction as to the transferability of the Shares in these Articles;
 - 20.7.7 taking account of any debt financing or loans which the Company may be subject to; and
 - 20.7.8 treating any obligation of the Trustee, which it is intended shall be funded via voluntary contributions being made by the Company to the Trustee, as a debt of the Company.
- 20.8 If the Transfer Notice is not withdrawn in accordance with these Articles, the Company shall offer the Sale Shares for purchase at the Sale Price by a written notice (the First Offer Notice) given within the later of fifteen Business Days after the Sale Price is agreed or determined under Article 20.4 or the expiry of the period prescribed in Article 20.4, to the Trustee. The First Offer Notice shall invite the Trustee to state in writing the maximum number of Sale Shares it wishes to purchase. The period during which the Trustee may accept the offer contained in the First Offer Notice shall commence on the date of the First Offer Notice and terminate ten Business Days thereafter (the First Offer Period).
- 20.9 Any Sale Shares not accepted by the Trustee pursuant to Article 20.8 by the end of the last day of the First Offer Period, shall be offered by a written offer notice (the Second Offer Notice) given within 10 Business Days of the expiry of the First Offer Period, to the Company. The period during which the Company may accept the offer contained in the Second Offer Notice shall commence on the date of the Second Offer Notice and terminate ten Business Days thereafter (the Second Offer Period).
- 20.10 Any Sale Shares not accepted pursuant to Articles 20.8 or 20.9 by the end of the last day of the Second Offer Period, shall be offered by a written offer notice (the Third Offer Notice) given within 10 Business Days of the expiry of the Second Offer Period, to those persons (other than the Proposing Transferor, the Trustee and any other Member who has served (or is required to have served) a Transfer Notice) who were on the date of the Third Offer Notice the registered holders of Shares. The Third Offer Notice shall invite the relevant Members to state in writing the maximum number of Sale Shares which they wish to purchase. In the event of competition the Sale Shares shall be sold to the acceptors in proportion to the number of Shares held (as nearly, as may be without involving fractions, or increasing the number, sold to a relevant Member beyond that applied for by him) (and the shareholding of the Proposing Transferor, the Trustee and any other Member who has served (or is required to have served) a Transfer Notice shall be disregarded for the purpose of calculating this proportion). The period during which a relevant Member may accept the offer contained in the Third Offer Notice shall commence on the date of the Third Offer Notice and terminate ten Business Days thereafter (the Third Offer Period).
- 20.11 Any Shares not accepted by any of the persons pursuant to the foregoing provisions of these Articles by the end of the last day of the Third Offer Period may be offered by the Proposing Transferor to such persons as he may think fit, subject to the prior written consent of the Trustee, for purchase at the Sale Price for a period of 60 days commencing on the day after the day on which the Third Offer Period terminates.
- 20.12 After the expiry of the period in which all of the Sale Shares have been accepted, the Directors shall allocate the Sale Shares in accordance with the acceptances received on the basis set out in Articles 20.8 to 20.11. The Directors shall within five Business Days of the expiry of the period in which all of the Sale Shares have been accepted, give notice in writing (the Sale Notice) to the Proposing Transferor and to each accepting person (each a Purchaser) specifying the name and address of each Purchaser, the number of Sale Shares agreed to be purchased by him and the aggregate price payable for them.
- 20.13 Completion of a sale and purchase of Sale Shares pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Sale Notice (being not less than three Business Days nor more than ten Business Days after the date of the Sale Notice or any time after the Sale Notice has been given if all the Sale Shares are to be purchased by the Company) when the Proposing Transferor, upon payment to him by a Purchaser of the Sale Price in respect of the Sale Shares allocated to that Purchaser, shall transfer those Sale Shares and deliver the relevant share certificates to that Purchaser or cancel the relevant Sale Shares

which have been purchased by the Company.

- 20.14 If a Proposing Transferor shall fail or refuse to transfer any Sale Shares to a Purchaser hereunder the Directors may authorise some person to execute and deliver on his behalf the necessary transfer and the Company may receive the purchase money in trust for the Proposing Transferor and cause the Purchaser(s) to be registered as the holder(s) of such Shares or cancel such Shares that have been purchased by the Company (and which are not held in treasury). The receipt of the Company for the purchase money shall constitute a good discharge to the Purchaser(s) (who shall not be bound to see to the application thereof) and after the Purchaser(s) has been registered or such shares cancelled (as the case may be) in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person. The Company shall not pay the purchase money to the Proposing Transferor until he shall have delivered his share certificate(s) or a suitable indemnity and the necessary transfers to the Company.
21. Compulsory transfer
- 21.1 Other than in respect of an Employee Member for which the provisions of Article 21.2 apply, any person entitled to a Share in consequence of the death or bankruptcy of a Member shall be bound at any time within a period of 12 months of such death or bankruptcy, if and when required in writing by the Directors so to do, to give a Transfer Notice in respect of such Shares and the provisions of Articles 20.2 to 20.14 shall apply to the transfer of those Shares.
- 21.2 If at any time an Employee Member becomes a Leaver (including if he dies) then, within 18 months of such date, the Directors may serve notice (a Compulsory Transfer Notice) on such Leaver or (as a consequence of such Employee Member's death or bankruptcy) any person entitled to his Shares (each, a Compulsory Transferor) requiring that a Transfer Notice be given in respect of all Shares held by each Compulsory Transferor immediately before such date and the provisions of Articles 20.2 to 20.14 shall (subject to Articles 21.3 to 21.5) apply to the transfer of those Shares.
- 21.3 The price per Share at which the Shares held by the Compulsory Transferor(s) will be offered for sale pursuant to Article 20 will (subject to Article 21.4) be the lower of (i) the relevant Issue Price and (ii) the fair value as determined by the Valuers in accordance with Articles 20.6 and 20.7 and the Sale Price will be construed accordingly in these Articles.
- 21.4 If any Share which is the subject of a Compulsory Transfer Notice has a fair value (as determined by the Valuers in accordance with Articles 20.6 and 20.7) which is greater than the relevant Issue Price, the Board may, with the consent of the Trustee, determine that a price which is greater than the Issue Price (provided that it is not greater than such fair value) shall instead be the Sale Price for such Share.
- 21.5 Where an EBT has been established for the purposes of holding Shares for the benefit of current and/or future Employees, the First Offer Notice in relation to Shares held by the Compulsory Transferor shall be sent to the trustee(s) of such EBT and, accordingly, all references to the Trustee in Articles 20.8 to 20.10 shall be construed for such purposes as references to the trustee(s) of such EBT.
- 21.6 If any person who is required to give a Transfer Notice in accordance with this Article 21 shall, within 10 Business Days of receipt of a Compulsory Transfer Notice, fail or refuse to give such Transfer Notice, the Directors may authorise some person to execute and deliver such Transfer Notice on his behalf.
22. Drag along rights
- 22.1 If the holders, at any time, of 75% or more of the voting rights attaching to the Shares (the Selling Members) shall receive an offer from a Third Party Purchaser which they intend to accept to acquire all the Shares held by the Selling Members, then the Selling Members shall have the option (the Drag Along Option) to require all the other Members (the Remaining Members) to transfer all their Shares (the Remaining Shares) to the Third Party Purchaser or

as the Third Party Purchaser shall direct in accordance with this Article 22.

- 22.2 The Selling Members shall exercise the Drag Along Option by giving notice to that effect (a Drag Along Notice) to the Remaining Members at any time before the transfer of the Selling Members' Shares to the Third Party Purchaser. A Drag Along Notice shall specify that the Remaining Members are required to transfer all their Remaining Shares pursuant to this Article 22 to the Third Party Purchaser, the price at which the Remaining Shares are to be transferred (being not less than the price per Share payable by the Third Party Purchaser in respect of the Shares held by the Selling Members) and the proposed date of transfer. A Drag Along Notice shall be irrevocable unless the Third Party Purchaser refuses to acquire the Remaining Shares on the terms of this Article 22.
- 22.3 The Remaining Members shall be obliged to sell the Remaining Shares at the price specified in the Drag Along Notice and completion of this sale and purchase shall take place on receipt of the consideration payable for the relevant Shares and on the same date as the date proposed for completion of the sale of the Selling Members' Shares, unless:
 - 22.3.1 all the Remaining Members and the Selling Members agree otherwise; or
 - 22.3.2 the date is less than 14 days after the Drag Along Notice, in which case completion shall take place on the 14th day after the Drag Along Notice.
- 22.4 Each of the Remaining Members shall, on service of the Drag Along Notice, be deemed to have appointed each of the Selling Members severally as his attorney to execute any stock transfer form and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Remaining Shares to the Third Party Purchaser pursuant to Article 22.3.
- 22.5 The terms upon which the Remaining Members shall sell pursuant to this Article 22 shall include a covenant to sell with full title guarantee and the Remaining Members shall give normal commercial warranties and indemnities regarding the Company, and they shall be responsible for an appropriate proportion of any associated costs and expenses of such sale, including but not limited to, warranty and indemnity insurance (if any) save that the Trustee shall not, under any circumstances, save for a warranty to sell with full title guarantee, be required to give any warranty or undertaking of whatever nature.
23. Tag along option
 - 23.1 Other than any transfer made pursuant to Article 20, no sale or transfer or other disposition of more than 50% of the Shares (the Specified Shares) to a Third Party Purchaser shall have any effect unless, before the transfer is lodged for registration, the Third Party Purchaser acquiring the Specified Shares has made a bona fide offer (a Tag Along Offer) in accordance with these Articles to purchase from the other Members such number of the Shares which are not Specified Shares (the Uncommitted Shares) as represents the same proportion of the Uncommitted Shares as the number of Specified Shares represents to the total number of issued and allotted Shares other than the Uncommitted Shares (that proportion of the Uncommitted Shares being referred to in this Article 23 as the Tag Along Shares). This Article is subject to the rights of the Selling Members in respect of the Drag Along Option as set out in Article 22.
 - 23.2 A Tag Along Offer shall be in writing, shall specify the price at which the Tag Along Shares may be transferred (being the price payable by the Third Party Purchaser in respect of each of the Specified Shares), shall be open for acceptance for at least 21 days and shall be deemed to be rejected by any Member who has not accepted it in accordance with its terms within the time period prescribed for acceptance. The consideration payable pursuant to a Tag Along Offer shall be settled in full on completion of the sale and purchase of the Tag Along Shares and within 30 days of the date of the offer.
 - 23.3 Following the acceptance of a Tag Along Offer by a holder of any Tag Along Shares, that Member shall be obliged to sell the Tag Along Shares held by it to the Third Party Purchaser at the price specified in the Tag Along Offer and completion of this sale and purchase shall take place on the same date as the date of completion of the sale of the Specified Shares.
 - 23.4 The terms upon which the holders of the Tag Along Shares shall sell pursuant to this Article 23 shall include a covenant to sell with full title guarantee and the Members shall give normal

commercial warranties and indemnities regarding the Company, and they shall be responsible for an appropriate proportion of any associated costs and expenses of such sale, including but not limited to, warranty and indemnity insurance (if any) save that the Trustee shall not, under any circumstances, save for a warranty to sell with full title guarantee, be requested to give any warranty or undertaking of whatever nature.

- 23.5 Each holder of Tag Along Shares who accepts a Tag Along Offer shall be deemed to have appointed each holder of Specified Shares severally as his attorney to execute any stock transfer form and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Tag Along Shares held by such Member to the Third Party Purchaser pursuant to this Article 23.

24. Information concerning Members and transfers

- 24.1 For the purpose of ensuring that no circumstances have arisen whereby a Transfer Notice is or may be required to be given hereunder, or to be satisfied that any proposed sale is bona fide and on the terms stated in the Transfer Notice with no rebate or allowances, the Directors may from time to time require any Member or the legal personal representatives of any deceased Member or any person named as transferee in the transfer lodged for registration to furnish to the Company such information or evidence as the Directors (acting reasonably) may think fit regarding any matter which they may deem relevant to such purpose. Failing such information or evidence being furnished to the reasonable satisfaction of the Directors within a reasonable time after such requirement being made, the Directors shall be entitled to refuse to register the transfer in question or (if no transfer is in question) to require by notice in writing that a Transfer Notice be given in accordance with Article 20 in respect of the Shares concerned.

- 24.2 In a case where the Directors have duly required a Transfer Notice to be given in respect of any Shares and such Transfer Notice is not duly given within a period of one month or such longer period as the Director may allow for the purpose, such Transfer Notice shall be deemed to have been given on such date after the expiration of the said period as the Directors may by resolution determine and the forgoing provisions of these Articles shall take effect accordingly.

- 24.3 From (and including) the date on which the Directors have duly required a Transfer Notice(s), all holders of Shares subject to such Transfer Notice(s) shall not transfer or encumber any of their Shares or any interest in their Shares (other than pursuant to such Transfer Notice(s)) until all proceedings pursuant to such Transfer Notice(s) have been finalised in accordance with these Articles.

25. Purchase of own shares

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

25.1.1 £15,000; and

25.1.2 the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.

26. Proceedings at general meetings

- 26.1 Where the Company has only one Member for the time being, one qualifying person (as defined in section 318 of the Act) present at the meeting shall be a quorum. In any other case, the quorum shall:

26.1.1 where it is a Controlling Shareholder, be the Trustee present in person, by proxy or by authorised representative; or

26.1.2 if the Trustee is not a Controlling Shareholder for the time being, any two Members present in person, by proxy or by authorised representative.

- 26.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 26.3 At a general meeting, on a show of hands every Member who is present in person or by proxy shall have one vote, unless the proxy is himself a Member entitled to vote; on a poll every Member present in person or by proxy shall have one vote for each Share of which he is the holder; and on a vote on a written resolution every Member has one vote for each Share of which he is the holder.
- 26.4 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 26.5 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.
- 26.6 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with these Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate".
- 26.7 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that article.
- 27. Means of communication to be used
 - 27.1 Any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
 - 27.1.1 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;
 - 27.1.2 if properly addressed and sent by prepaid airmail to an address outside the United Kingdom, 72 hours after it was posted;
 - 27.1.3 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
 - 27.1.4 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
 - 27.1.5 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.
 - 27.2 In proving that any notice, document or information was properly addressed, it shall be sufficient to show that the notice, document or information was delivered to an address permitted for the purpose by the Act.
- 28. Company seal

The Company need not have a company seal and pursuant to section 44 of the Act, the Company may execute and deliver any document as a deed under the signature of any two Directors or of one Director and the secretary or by a sole Director. A certificate in respect of any shares or other securities in the Company shall be validly issued if it is executed as a deed as aforesaid.
- 29. Indemnity
 - 29.1 A relevant Director (as defined in Article 29.3 below) shall be indemnified out of the Company's assets against any liability (other than a liability to the Company or an associated company) which that Director incurs in connection with:
 - 29.1.1 civil proceedings in relation to the Company or an associated company (other than a liability incurred in defending proceedings brought by the Company or an associated company in which final judgment is given against the Director);

- 29.1.2 criminal proceedings in relation to the Company or an associated company (other than a fine imposed in such proceedings, or a liability incurred in defending proceedings in which the Director is convicted and the conviction is final);
- 29.1.3 regulatory action taken by or a regulatory investigation by a regulatory authority in relation to the Company or an associated company (unless a sum is payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (however arising)); or
- 29.1.4 any application for relief under section 589 or 1157 of the Act unless the court refuses to grant the Director relief, and the refusal of relief is final.
- 29.2 For the purposes of Article 29.1, a judgment, conviction or refusal of relief becomes final:
 - 29.2.1 if not appealed against, at the end of the period for bringing an appeal; or
 - 29.2.2 if appealed against, at the time when the appeal (or any further appeal) is disposed of, and an appeal is disposed of;
 - 29.2.3 if it is determined and the period for bringing any further appeal has ended; or
 - 29.2.4 if it is abandoned or otherwise ceases to have effect.
- 29.3 In this Article 29:
 - 29.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
 - 29.3.2 a relevant Director means any Director or former director of the Company.
- 30. Insurance
 - 30.1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.
 - 30.2 In this Article 30:
 - 30.2.1 a relevant officer means any Director or former Director, any other officer of the Company or Employee or former officer of the Company or former Employee (but not its auditors) or any trustee of an occupational pension scheme (as defined in section 235(6) the Act) for the purposes of an employees' share scheme of the Company; and
 - 30.2.2 a relevant loss means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company (within the meaning of Article 29.3 above) or any pension fund or employees' share scheme of the Company.
- 31. Consents and approvals

In respect of any approval, agreement, consent or direction or the exercise of a discretion required to, or which may be, given by the Trustee, the Trustee may authorise any person to give written consents and approvals on its behalf and the Trustee shall give notice of such authorisation or resolution to the Company.
- 32. Electronic Communications

The Company may, subject to and in accordance with the provisions of the Act, serve any notice on, send or supply any other documents or information to, its Members or any other person by electronic means, including by making them available on a website.