

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

OTRO CLUB LIMITED

Adopted by special resolution passed on 21st December 2018



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OTRO CLUB LIMITED

(Company Number 10393204)

(the 'Company')

1. PRELIMINARY

- 1.1 The model articles for private companies limited by shares set out in Schedule 1 of the Companies (Model Articles) Regulations 2008 as amended (the '**Model Articles**') shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with the following articles; and the following articles together with the Model Articles are the '**Articles**'.
- 1.2 References in the Articles:
- (a) to a numbered Article are to a numbered Article as set out in this document; and
 - (b) to a numbered Article of the Model Articles are to the Article as numbered in the Model Articles immediately upon the coming into force of the Companies (Model Articles) Regulations 2008.
- 1.3 Articles 8(1), 13, 14, 15 and 52 of the Model Articles shall not apply to the Company.
- 1.4 If there is any inconsistency between the following articles and the Model Articles, the following articles shall prevail.

2. INTERPRETATION

- 2.1 In these Articles:

'Act' means the Companies Act 2006 and every statutory modification or re-enactment of it for the time being in force;

'Acting in Concert' has the meaning given in the City Code on Takeovers and Mergers issued by The Panel on Takeovers and Mergers from time to time;

'Additional Player Equity Pool' has the meaning given to it in the definition of 'Player Equity Pool';

'Affiliate' means, in relation to a person which is a body corporate, any Subsidiary Undertaking or Parent Undertaking of that person and any Subsidiary Undertaking of such Parent Undertaking, in each case from time to time;

'Appointor' has the meaning given to it in Article 15.1;

'Asset Sale' means the disposal by the Company of all or substantially all of its undertaking and assets (which shall include, without limitation, the grant by the Company of any exclusive licence of all or substantially the whole of the intellectual property of the Company not entered into in the ordinary course of business) other than to a Member of the same Group;

'Board' means the board of Directors of the Company;

'Business Day' means a working day, as such term is defined in section 1173 of the Act;

'Chairman' has the meaning given to it in Article 13.4;

'Change of Control' means the acquisition by a Third Party Purchaser of any interest in Shares if, upon completion of that acquisition, the Third Party Purchaser together with any person Acting in Concert with that Third Party Purchaser (other than any such person who was already a member as at 10 August 2018) would be entitled to exercise more than 50% of the total voting rights normally exercisable by the Shares at any general meeting of the Company;

'Commencement Date' means the date of adoption of these Articles;

'Deferred Shares' means deferred shares of £0.001 each in the capital of the Company,

'Directors' means the directors of the Company from time to time;

'Employee Incentive Scheme' means an employee incentive scheme to be established by the Company or the Group whereby not more than 5% of the Fully Diluted Share Capital of the Company may be allotted to employees of the Company or the Group;

'Exit' means an Asset Sale, an IPO or a Share Sale;

'Family Controlled Company' means any body corporate the affairs of which are wholly and exclusively controlled by a Shareholder or a Privileged Relation of that Shareholder, either alone or jointly with one or more other Privileged Relations of that Shareholder; and **'Family Controlled'** shall be construed accordingly;

'Family Trust' means any trust (whether arising on a settlement inter vivos or testamentary disposition made by a Shareholder or any other person or arising on the intestacy of a Shareholder or any other person) under which no person, other than a Shareholder or a Privileged Relation of that Shareholder, has any beneficial interest in any Share (and no right of voting conferred by any Share is for the time being exercisable by, or subject to the consent of, any person other than the trustees of the trust as trustees);

'Fully Diluted Share Capital' means:

- (a) the issued share capital of the Company from time to time; and
- (b) all shares capable of being issued by the Company pursuant to all outstanding rights to subscribe for, or convert any security into, shares (including for the avoidance of doubt, Warrants, the Initial Player Equity Pool, the Employee Incentive Scheme and any rights to convert loans into shares in any facility agreement entered into by the Company), as if all those outstanding rights had been exercised in full;

'Further Warrant Instruments' means any or all (as the context requires) warrant instruments which may be created by the Company in relation to its capital and which are created in accordance with the terms of any facility agreement entered into by the Company;

'Group' means the Company and any Subsidiary Undertakings of the Company from time to time, and **'Group Company'** means each member of the Group;

'holder' in relation to Shares means the person whose name is entered in the Company's register of Shareholders as the holder of those Shares;

'Initial Player Equity Pool' has the meaning given to it in the definition of 'Player Equity Pool';

'Investment Fund' means any person holding Shares which were subscribed for by that person pursuant to a Warrant issued under a Warrant Instrument;

'IPO' means the admission of all or any part of the Shares to listing on the Official List of the United Kingdom Listing Authority and to trading on the London Stock Exchange plc's market for listed securities or the admission of all or any part of the Shares to trading on AIM, a market operated by London Stock Exchange plc, or the admission of all or any part of the Shares to listing and/or trading on any other recognised investment exchange (as defined by section 285 of the Financial Services and Markets Act 2000);

'Issue Price' means, in respect of any Share, the subscription price paid by the relevant Shareholder for that Share, including any premium;

'March 2018 Warrant Instrument' means the warrant instrument dated 28 March 2018 in relation to the capital of the Company;

'Member of the same Group' means as regards any company, a company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of that company or a Subsidiary Undertaking of any such Parent Undertaking;

'New Securities' means any Shares or other securities convertible into, or carrying the right to subscribe for those Shares, issued by the Company after the date of adoption of these Articles;

'November 2018 Warrant Instrument' means the warrant instrument dated 30 November 2018 in relation to the capital of the Company;

'Ordinary Shares' means ordinary shares of £0.001 each in the capital of the Company;

'Original Shareholder' has the meaning given in Article 10.2;

'Parent Undertaking' and **'Subsidiary Undertaking'** have the meanings given respectively by section 1162 of the Act;

'Pension Scheme' means any pension scheme (as defined in section 1(5) of the Pension Schemes Act 1993) which is legally able to accept a transfer of shares;

'Permitted Transfer' means a transfer of Shares permitted by Article 10;

'Permitted Transferee' has the meaning given in Article 10.2;

'Player Equity Pool' means a 'Player Equity Pool' share equity scheme to be established by the Company whereby not more than 4.21% of the Fully Diluted Share Capital of the Company (as at 10 August 2018) may be allotted to certain key players (the **'Initial Player Equity Pool'**) and an additional 2.11% of the Fully Diluted Share Capital of the Company from time to time after the Commencement Date may be allotted to certain key players (the **'Additional Player Equity Pool'**);

'Privileged Relation' means in relation to any individual Shareholder:

- (a) a grandparent of the Shareholder;

- (b) a lineal descendant of a grandparent of the Shareholder (including, for the avoidance of doubt, the Shareholder),
- (c) a spouse, widow or widower of any such person as is mentioned in (a) or (b) above; and
- (d) a step-child or adopted child of any such person as is mentioned in (a) or (b) above;

'Relevant Loss' has the meaning given in Article 23.3(a);

'Relevant Officer' has the meaning given in Article 23.3(b);

'Sale Proceeds' means the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale (less any fees and expenses payable by the selling Shareholders under that Share Sale);

'Shareholder' means any holder of Shares from time to time;

'Shares' means the Ordinary Shares and shares of any other class in the capital of the Company, all as may be in issue from time to time;

'Share Sale' means the transfer of any interest in any Shares (whether by one transaction or a series of transactions), other than a transfer by a member to a Permitted Transferee, which results in a sale of the entire issued share capital of the Company;

'Share Transfer Provisions' means Articles 9 to 12 (inclusive);

'Third Party Purchaser' means any person who is not a member of the Company at the relevant date (or connected to such a person);

'Transfer Notice' means a notice in writing given by a Shareholder to the Company, the other Shareholders and the Warrantholders that it wishes to transfer all or some of their Shares;

'Warrant Instrument' means any and/or all of the March 2018 Warrant Instrument, the November 2018 Warrant Instrument and the Further Warrant Instruments (as the context requires);

'Warrantholder' means any registered holder of Warrants from time to time;

'Warrants' means warrants to subscribe for Shares; and

'Winding Up' means a distribution pursuant to a winding up, dissolution or liquidation of the Company.

2.2 In these Articles:

- (a) the headings are for convenience only and shall be ignored in construing the meaning of these Articles;
- (b) a reference to a 'person' is to a natural person or a legal person;
- (c) words denoting the singular shall include the plural and vice versa; and

(d) a reference to any gender shall include a reference to all the genders.

3. LIABILITY OF THE SHAREHOLDERS

The liability of the Shareholders is limited to the amount, if any, unpaid on the respective numbers of Shares held by them.

4. SHARES

Except as required by law, no person shall be recognised by the Company as holding any Share upon any trust and (except as otherwise provided by these Articles or by law) the Company shall not be bound by or recognise any interest in any Share except an absolute right to the entirety of that Share vested in the holder.

5. RETURN OF CAPITAL AND EXIT

5.1 On a Winding Up (other than a Winding Up following an Asset Sale), the assets of the Company remaining after the payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) in the following order or priority:

- (a) first, in paying to the holders of the Deferred Shares (if any) an aggregate sum of £0.01 for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of Deferred Shares); and
- (b) thereafter, the balance of the assets (if any) shall be distributed as follows:
 - (i) in the event that the balance of the assets (if any) is sufficient to ensure that each holder of Ordinary Shares receives the aggregate Issue Price paid by them for such Shares, amongst the holders of the Ordinary Shares *pari passu*, pro rata to their respective holdings of such Shares; or
 - (ii) in the event that the balance of the assets (if any) is insufficient to ensure that each holder of Ordinary Shares receives the aggregate Issue Price paid by them for such Shares, amongst the holders of the Ordinary Shares *pari passu*, pro rata to the aggregate Issue Price paid by each of them for such Shares.

5.2 On a Share Sale (subject to any obligations arising on or in connection with any financing arrangements of the Company with a bank or other company), the Sale Proceeds shall be distributed in the following order of priority:

- (a) first, in paying to the holders of the Deferred Shares (if any) an aggregate sum of £0.01 for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of Deferred Shares); and
- (b) thereafter, the balance of the Sale Proceeds (if any) shall be distributed amongst the holders of the Ordinary Shares *pari passu*, pro rata to their respective holdings of such Shares.

5.3 The Directors shall not register any transfer of Shares pursuant to a Share Sale if the Sale Proceeds are not distributed in accordance with Article 5.2 above (save in respect of any Shares not sold in connection with that Share Sale) provided that, if the Sale Proceeds are not settled in their entirety upon completion of the Share Sale:

- (a) the Directors may register the transfer of the relevant Shares, provided that the Sale Proceeds due on the date of completion of the Share Sale have been distributed in accordance with Article 5.2; and
 - (b) each Shareholder shall take any reasonable action (to the extent lawful and within its control) required to ensure that the Sale Proceeds in their entirety are distributed in accordance with Article 5.2.
- 5.4 On an Asset Sale, the surplus assets of the Company remaining after payment of its liabilities shall (to the extent that the Company is lawfully permitted to do so) be distributed in accordance with Article 5.2. If on an Asset Sale it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall take any action (including but not limited to actions that may be necessary to put the Company into voluntary liquidation) so that Article 5.2 applies.
- 5.5 In the event that the proceeds of a Share Sale or Asset Sale are distributed on more than one occasion (for any deferred or contingent consideration or otherwise), the consideration so distributed on any further occasion shall be paid by continuing the proceeds from the previous distribution of proceeds in accordance with Article 5.2.
- 6. DIVIDENDS**
- 6.1 Any profits available for distribution by the Company in accordance with the Act which the Company determines to distribute shall be distributed amongst the holders of Ordinary Shares *pari passu*, *pro rata* to their respective holdings of Ordinary Shares.
- 6.2 The Deferred Shares shall not carry any right to receive any dividend or other distribution of profits of the Company.
- 7. VOTES IN GENERAL MEETINGS**
- 7.1 The Ordinary Shares shall confer on each holder 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.
- 7.2 The Deferred Shares shall not carry any right to receive notice of or attend, speak or vote at general meetings of the Company or to receive or vote on proposed written resolutions of the Company.
- 7.3 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.
- 8. ALLOTMENT OF NEW SECURITIES AND PRE-EMPTION RIGHTS**
- 8.1 Subject to the provisions of the Act and these Articles, and without prejudice to any rights attached to any existing Shares, any Share may be issued with such rights or restrictions as the Company may determine in accordance with the respective corporate requirements including, but not limited to, this Article 8 (and section 550 of the Act is hereby excluded).
- 8.2 Subject to the remaining provisions of this Article 8, the Directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to:

- (a) offer or allot; and
- (b) grant rights to subscribe for or to convert any security into,

any Shares (or any options, warrants, conversion rights and all other rights to acquire or subscribe for Shares) to any person, at any time and subject to any terms and conditions as the Directors think proper.

8.3 The authority referred to in Article 8.2:

- (a) shall be limited to the issue of Shares or the granting of rights to subscribe for Shares up to a maximum aggregate nominal value of:
 - (i) £500 in respect of Warrants to be issued under the November 2018 Warrant Instrument;
 - (ii) in aggregate £500 in respect of any Warrants to be issued under the Further Warrant Instruments;
 - (iii) £2,000 in respect of any Shares to be issued pursuant to all of the Warrant Instruments;
 - (iv) £2,000 in respect of any rights to be granted by the Company in relation to any conversion rights in respect of any loan facilities entered into (or to be entered into) by the Company to convert such loans into Shares;
 - (v) £2,000 in respect of any Shares to be issued pursuant to any conversion rights as referred to Article 8.3(a)(iv);
 - (vi) £100 in respect of any Shares to be issued pursuant to the Employee Incentive Scheme; and
 - (vii) £100 in respect of any Shares to be issued pursuant to the Player Equity Pool.
- (b) shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution; and
- (c) may only be exercised during the period of five years from the Commencement Date save that, subject to these Articles, the Directors may make an offer or agreement which would, or might, require any Shares to be allotted after the expiry of such authority (and the Directors may allot Shares in pursuance of such offer or agreement as if such authority had not expired).

8.4 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) made by the Company.

9. SHARE TRANSFERS - GENERAL

9.1 In the Share Transfer Provisions, references to the transfer of a Share include the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or encumbrance over that Share (other than operation of law) and references to a Share include a beneficial or other interest in that Share.

- 9.2 No Share may be transferred unless the transfer is made in accordance with these Articles.
- 9.3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him and the provisions of Article 11 shall apply.
- 9.4 Any transfer of a Share by way of sale which is required to be made under the Share Transfer Provisions will be deemed to include a warranty that the transferor sells with full title guarantee.
- 9.5 The instrument of transfer of a Share may be in any usual form or in any other form which the Directors may approve and shall be executed by or on behalf of the transferor (but need not be executed by or on behalf of the transferee). The transferor shall remain the holder of the Shares concerned until the name of the transferee is entered in the register of Shareholders in respect of them.
- 9.6 The Directors may refuse to register the transfer of any Share:
- (a) on which the Company has a lien;
 - (b) unless:
 - (i) the transfer instrument is lodged at the Company's registered office or at such other place in England as the Directors may appoint and is 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;
 - (ii) it is in respect of only one class of Shares; and
 - (iii) it is in favour of not more than four transferees; or
 - (c) to a person who is (or who the Directors reasonably believe to be) under 18 years of age or who does not have (or who the Directors reasonably believe does not have) the legal capacity freely to dispose of any Share.
- 9.7 The Directors shall refuse to register the transfer of any Share unless they are satisfied that such transfer is either:
- (a) a Permitted Transfer; or
 - (b) a transfer made in accordance with and permitted by the Share Transfer Provisions,
- in which case the Directors shall, subject to Articles 9.6 and 9.10, register the transfer of the relevant Share.
- 9.8 Notwithstanding anything contained in these Articles:
- (a) the Directors shall not decline to register the transfer of any Shares nor suspend registration thereof:
 - (i) where such transfer is in favour of a bank or company ('Secured Entity') or any nominee of such a Secured Entity and the transfer is as contemplated by,

or pursuant to, any mortgage or charge of shares or any call or other share option granted in favour of such a Secured Entity; or

- (ii) where such transfer is by or on behalf of a Secured Entity or any nominee of a Secured Entity in favour of any third party upon disposal or realisation of shares following the Secured Entity having become entitled to exercise or enforce its rights under any such mortgage, charge and/or call or other option,

and a certificate by the Secured Entity that the relevant transfer is within paragraph (a) and (b) above shall be conclusive evidence of that fact;

- (b) no transferor or proposed transferor of any shares in the Company to a Secured Entity or its nominee and no Secured Entity or its nominee shall be required to offer the Shares which are or are to be the subject of any such transfer in Article 9.8(a) to the Shareholders or any of them pursuant to Article 11, and no such Shareholder shall have any right under the Articles or otherwise to require such Shares to be transferred to them whether for consideration or not; and
- (c) the Company and the Directors shall not be entitled to exercise any lien which the Company has by operation of law in respect of any shares that are mortgaged, charged or otherwise subject to security in favour of a Secured Entity.

9.9 The Directors may require any Shareholder or other person entitled to transfer a Share or any person named as the transferee in any transfer lodged for registration to provide the Company with such information and evidence as the Directors may consider necessary to ensure that any transfer lodged for registration is authorised under these Articles or that no circumstances have arisen in which a Transfer Notice ought to be given. If the information or evidence shall not be provided to the satisfaction of the Directors within a reasonable time, the Directors shall be entitled to refuse to register the transfer concerned or (as the case may require) to give a Transfer Notice under Article 11.

9.10 If, in relation to a transfer of Shares, the transferor of those Shares is a party to any agreement between some or all of the Shareholders (being an agreement in addition to these Articles) then the Directors will.

- (a) require the transferee of such Shares to enter into a written undertaking (in such form as the Directors may prescribe) to be bound by the provisions of such agreement; and
- (b) decline to register the transfer of such Shares unless and until the transferee has entered into such written undertaking.

10. PERMITTED SHARE TRANSFERS

10.1 Subject to Article 9, a Shareholder (or the legal personal representatives of a deceased Shareholder) shall be permitted to transfer the legal title to or beneficial ownership of a Share (without restriction as to price or otherwise):

- (a) in the case of a Shareholder which is a Member of the same Group, to an Affiliate of that Shareholder;
- (b) in the case of a Shareholder which is a member of an Investment Fund, to;

- (i) any Member of the same Group;
 - (ii) any Affiliate of the Investment Fund;
 - (iii) any unitholder, shareholder, partner, participant in or manager of the Investment Fund; or
 - (iv) any investment trusts or investment companies or funds under common management with, or advised by, the managers of or advisers to or nominee for any holding or subsidiary company of the Investment Fund;
- (c) to a person who is the beneficial owner of such Share or (in the case of the legal title only) to a different or additional nominee or trustee on behalf of such beneficial owner provided that such person has not become the beneficial owner of that Share otherwise than in accordance with the provisions of these Articles;
- (d) if the Shareholder is an individual not holding as a trustee or nominee:
- (i) to a Pension Scheme of which the Shareholder is the sole or principal beneficiary;
 - (ii) to a Privileged Relation of the Shareholder;
 - (iii) to a Family Controlled Company of that Shareholder; or
 - (iv) to trustees to be held upon a Family Trust;
- (e) if the Share is held by a Family Controlled Company, to the person wholly or exclusively controlling the Family Controlled Company at the time the Shares were transferred to that Family Controlled Company, or to any Privileged Relation of that person;
- (f) if the Share is held on a Family Trust, to a beneficiary under the trust and, on a change of trustees, to the trustees for the time being of the trust;
- (g) to trustees to be held upon the trust of an employee share scheme of the Company and, on a change of trustees, to the trustees for the time being of the scheme;
- (h) subject to the provisions of the Act, to the Company;
- (i) with the prior written consent of the holders of all of the Shares in issue at the time of the transfer; or
- (j) any such other Permitted Transferee designated as such by a Warrant Instrument.

10.2 If a Shareholder (the '**Original Shareholder**') transfers any Shares pursuant to Article 10.1(a) to (f) (inclusive) to a transferee (a '**Permitted Transferee**'), and following such transfer such transferee ceases to be a Permitted Transferee, the transferee shall (within 14 days of so ceasing) transfer such Shares to the Original Shareholder or to a Permitted Transferee of the Original Shareholder (and such transferee shall be deemed to have unconditionally appointed any Director as his agent to execute a stock transfer form on his behalf by which the transfer of all the legal title to, beneficial ownership of and all interests in and rights attaching to such Shares might be effected).

- 10.3 A Permitted Transferee may only transfer to the Transferring Shareholder or to a person that would be a Permitted Transferee of the Transferring Shareholder any Shares that the Permitted Transferee holds which were transferred to him by the Transferring Shareholder or any other Permitted Transferee and any other Shares held by that Permitted Transferee which were obtained as a result of holding those transferred Shares.

11. SHARE TRANSFERS - PRE-EMPTION RIGHTS

- 11.1 Save where the provisions of Articles 10 or 12 apply, or pursuant to the terms of any shareholders' agreement or similar document in force between some or all of the shareholders and the Company, the right to transfer or otherwise dispose of a Share or any interest or right in or arising from a Share made otherwise than in accordance with such provisions shall be void.

12. COMPULSORY TRANSFERS – GENERAL

- 12.1 A person entitled to any Shares in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of those Shares at a time determined by the Directors.
- 12.2 On the death of any Shareholder, the Directors may require the legal personal representatives of that deceased Shareholder to, within 12 months of the death of such Shareholder, either:
- (a) effect a Permitted Transfer of such Shares; or
 - (b) show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder,

and if either requirement in Article 12.2 shall not be fulfilled to the reasonable satisfaction of the Directors within such 12 month period a Transfer Notice shall be deemed to have been given in respect of each such Share.

- 12.3 If a Shareholder which is a company resolves to appoint a liquidator, administrator or administrative receiver over it or any material part of its assets, the relevant Shareholder and all of its Permitted Transferees shall be deemed to have given a Transfer Notice in respect of all the Shares held by the relevant Shareholder and its Permitted Transferees, save to the extent that, and at a time, the Directors may determine.

13. APPOINTMENT AND PROCEEDINGS OF DIRECTORS

- 13.1 Unless otherwise determined by ordinary resolution the number of Directors shall not be less than two.
- 13.2 The quorum for any meeting of the Directors shall be two (2) Directors.
- 13.3 For the purposes of any meeting (or part of a meeting) held to authorise a matter referred to in Article 17.1, if there is only one eligible Director in office other than the conflicted Director the quorum for such meeting (or part of a meeting) shall be one eligible Director.
- 13.4 The Directors shall be entitled to appoint one of the Directors to act as chairman of the Board (the 'Chairman'). In the event of an equal number of votes for and against a proposed resolution of the Board, the Chairman shall not have a casting vote.

14. DIRECTORS' DECISIONS

- 14.1 A decision under Article 8 of the Model Articles must take the form of a resolution in writing complying with Articles 8(2) to 8(4) of the Model Articles.
- 14.2 Article 9 of the Model Articles is modified by the deletion of the words "*not more than seven days after*" and the substitution for them of the words "*before or after*".
- 14.3 The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors, of every Directors' written resolution and of every decision of a sole Director.
- 14.4 Where the Directors have delegated any of their powers, they may revoke any delegation in whole or in part, or alter its terms and conditions; and where any person to whom any powers are delegated holds those powers by virtue of being appointed an executive, any variation or revoking of those powers is without prejudice to any contract with that executive.

15. ALTERNATE DIRECTORS

- 15.1 Any director (other than an alternate director) (the '**Appointor**') may appoint any person (whether or not a director) to be an alternate director to exercise the Appointor's powers, and carry out the Appointor's responsibilities, in relation to the taking of decisions by the directors, in the absence of the Appointor. A person may be appointed an alternate director by more than one director.
- 15.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company (and to the alternate, on removal) signed by the Appointor, or in any other manner approved by the directors.
- 15.3 The notice must:
 - (a) identify the proposed alternate; and
 - (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the director giving the notice.
- 15.4 An alternate director has the same rights, in relation to any decision of the directors, as the alternate's Appointor.
- 15.5 Except as the Articles specify otherwise, alternate directors:
 - (a) are deemed for all purposes to be directors;
 - (b) are liable for their own acts and omissions;
 - (c) are subject to the same restrictions as their Appointors; and
 - (d) 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.
- 15.6 A person who is an alternate director but not a director may:

- (a) be counted as participating for the purposes of determining whether a quorum is present at a meeting of directors (but only if that person's Appointor is an eligible Director and is not participating); and
 - (b) participate in a unanimous decision of the directors (but only if his Appointor is an eligible Director in relation to that decision, and does not himself participate).
- 15.7 A director who is also an alternate director is entitled, in the absence of his Appointor(s), to a separate vote on behalf of each Appointor (provided that an Appointor is an eligible Director in relation to that decision), in addition to his own vote on any decision of the directors.
- 15.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's Appointor as the Appointor may by notice in writing to the Company from time to time direct.
- 15.9 An alternate director's appointment as an alternate (in respect of a particular Appointor) terminates:
- (a) when the alternate's Appointor revokes the appointment by notice to the Company and the alternate in writing specifying when it is to terminate; or
 - (b) 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; or
 - (c) when the alternate director's Appointor ceases to be a director for whatever reason.

16. DIRECTORS' INTERESTS

16.1 This Article 16 is subject to the provisions of the Act.

16.2 A Director may (save as to the extent not permitted by law from time to time):

- (a) be a party to, or otherwise directly or indirectly interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested; and
- (b) be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise directly or indirectly interested in, any body corporate in which the Company is interested,

and where a proposed decision of the Directors is concerned with such a transaction, arrangement, office or employment, that Director may be counted as participating in the decision making process for quorum and voting purposes.

16.3 Article 16.2 is subject to the relevant Director making a declaration of the nature and extent of his interest in accordance with sections 177 and 184 to 187 of the Act, except that no declaration of interest shall be required of any Director in relation to:

- (a) an interest of which the other Directors are aware, or ought reasonably be aware, to the extent they are or ought reasonably to be aware of such interest; or
- (b) an interest if, or to the extent that, that interest concerns terms of his service contract which have been, or are to be, considered by a meeting of the Directors or a duly appointed committee of the Directors.

16.4 The following shall not be treated as an 'interest' of a Director:

- (a) an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware, or an interest in a transaction or arrangement of which he is not aware and of which it is unreasonable to expect him to be aware; and
- (b) an interest which cannot reasonably be regarded as giving rise to a conflict of interest.

17. DIRECTORS' POWERS TO AUTHORISE CONFLICTS OF INTEREST

17.1 The Directors may authorise, to the fullest extent permitted by law, any matter which would otherwise result in a Director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interests.

17.2 Authorisation given by the Directors under Article 17.1 may be subject to any terms and conditions which the Directors consider appropriate; and the Directors may at any time vary or terminate such authorisation.

17.3 A decision to authorise any matter under Article 17.1 may be made either at a meeting of the Directors or by unanimous decision of those Directors entitled to vote on the matter; but the decision will only be effective if:

- (a) the quorum for any meeting at which the matter is considered is met without counting the Director in question or any other interested Director; and
- (b) the matter is agreed to without any interested Director voting, or would have been agreed to had no interested Director's vote been counted.

17.4 The provisions of this Article 17 shall not apply to any conflict of interest arising in relation to a transaction or arrangement between a Director and the Company. Article 16 above shall apply to Directors' interests in any such transactions or arrangements.

18. MANAGEMENT OF DIRECTORS' CONFLICTS

18.1 Where the Directors have authorised any matter under Article 17.1 above, or where a matter is authorised by Article 16, the Directors may, at the time of such authorisation or subsequently, provide (without limitation) that an interested Director:

- (a) is excluded from discussions (whether at Directors' meetings or otherwise) related to the matter;
- (b) is not given any documents or other information relating to the matter; or
- (c) both for quorum purposes and for voting purposes may or may not be counted or vote at any future Directors' meeting in relation to the matter.

18.2 Where the Directors have authorised any matter under Article 17.1, or where a matter falls within Article 16 (subject to a Director making a declaration of the nature or extent of his interest in an office, employment, transaction or arrangement in accordance with Article 16.3), then an interested Director:

- (a) will not be required to disclose to the Company, or use for the benefit of the Company, any confidential information relating to the matter if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with the matter;
- (b) may absent himself from Directors' meetings at which the matter may be discussed; and
- (c) may make such arrangements as he thinks fit not to receive documents and information in relation the matter, or for such documents and information to be received and read by a professional adviser on behalf of that Director.

18.3 Article 18.2 does not limit any existing law or equitable principle which may excuse the Director from disclosing information in circumstances where disclosure would otherwise be required, or from attending meetings or receiving and reading documents in circumstances where such actions would otherwise be required

18.4 Where the Directors authorise a matter under Article 17.1, or where a matter falls within Article 16 then an interested Director:

- (a) will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the matter; and
- (b) will not infringe any duty he owes to the Company under sections 171 to 177 of the Act if he complies with any terms, limits and conditions (if any) imposed by the Directors in relation to the authorisation and, where relevant, makes any disclosure required under Article 16.3

18.5 In relation to any matter which has been authorised under Article 17.1, or where a matter involves a transaction or arrangement which falls within Article 16 (subject to a Director making a declaration of the nature or extent of his interest in an office, employment, transaction or arrangement in accordance with Article 16.3):

- (a) an interested Director will not be accountable to the Company for any benefit conferred on him in connection with that matter;
- (b) the receipt of such a benefit shall not constitute a breach of his duty under section 176 of the Act; and
- (c) no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

19. SECRETARY

Subject to the provisions of the Act, the Directors may determine from time to time whether a person shall hold the office of company secretary and, at any time when the Company is without a secretary, that anything required or authorised to be done by or to the secretary may be done by or to a Director (or by a person authorised generally or specifically in that behalf by the Directors); the appointment of a person, or persons jointly, to office as secretary shall be decided by the Directors who may remove any person or persons appointed to that office and may appoint a person or persons to act in the place of any secretary removed from office or may appoint a person or persons to act jointly with any person holding office as secretary.

20. TRANSMISSION OF SHARES

- 20.1 Nothing in these Articles releases the estate of a deceased Shareholder or a Shareholder who has been declared bankrupt from any liability in respect of a Share solely or jointly held by that Shareholder.
- 20.2 All these Articles relating to the transfer of Shares apply to any notice under Article 28(1) of the Model Articles or any transfer made or executed under Article 28(2) of the Model Articles either of which is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.
- 20.3 Article 29 of the Model Articles shall read as if, after the words "*... the transmittee's name*", there shall be added the words "*or the name of any person named as transferee of the Shares in an instrument of transfer executed under Article 28 (2).*".

21. PROXY NOTICES

- 21.1 Subject to any instructions in the notice of general meeting to which the proxy notice relates, such proxy notice (and any authentication required by the Directors) must be received at the address specified by the Company in the notice of meeting or in the proxy notice not less than 48 hours before the time for holding the meeting (or adjourned meeting) at which the proxy appointed by the proxy notice is to vote; and any proxy notice received at that address less than 48 hours before the time for holding the meeting (or adjourned meeting) shall not be valid (unless accepted as valid under Article 21.2). In calculating the periods mentioned in this Article 21.1, no account is to be taken of any part of a day that is not a Business Day.
- 21.2 A proxy notice which does not comply with the provisions of Article 45 of the Model Articles or Article 21.1 may, in their discretion, be accepted as valid by the Directors at any time before the meeting to which it relates.

22. NOTICES

- 22.1 Any notice in writing, document or other communication may be given or served 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 Shareholder or his legal personal representative or trustee in bankruptcy, to such Shareholder's address as shown in the Company's register of Shareholders; or
 - (d) to any other address to which any provision of the Act authorises the document or information to be sent or supplied.
- 22.2 Notwithstanding any requirement that a notice, document or other communication be in writing and subject to the provisions of the Act, a notice, document or other communication may be given by the Company to any Shareholder or group of Shareholders by electronic means:
- (a) to such address as may be provided to the Company by or on behalf of that Shareholder; or

- (b) by publishing it on a website and notifying the Shareholder concerned that it has been so published,

provided that the Shareholder concerned has agreed to or is deemed to have agreed to receive communication from the Company in this manner.

- 22.3 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 Shareholders, in respect of the joint holding and notice so given shall be sufficient to all the joint holders.
- 22.4 A Shareholder whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him, or an address to which notices may be sent using electronic communications, shall be entitled to have notices given to him at that address
- 22.5 A Shareholder present, either in person or by proxy, at any meeting of the Company or of the holders of any class of Shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 22.6 Every person who becomes entitled to a Share shall be bound by any notice in respect of that Share which, before his name is entered in the register of Shareholders, has been duly given to the person from whom he derives his title.
- 22.7 Any notice in writing, document or other communication:
 - (a) if sent by first class post, shall be deemed to have been given on the Business Day following that on which the envelope containing it is put into the post;
 - (b) if sent by second class post, shall be deemed to have been given on the second Business Day following that on which the envelope containing it is put into the post; or
 - (c) if sent from any jurisdiction outside of the United Kingdom, shall be sent by airmail and shall be deemed to have been given on the fifth Business Day following that on which the envelope containing it is put into the post,

and in proving that a notice, document or other communication has been given it shall be sufficient to prove that the letter, envelope or wrapper containing the notice, document or other communication was properly addressed, prepaid and put into the post
- 22.8 Any notice in writing, document or other communication not sent by post but delivered to a registered address or address at which a notice, document or other communication may be given shall be deemed to have been given on the day of delivery.
- 22.9 Any notice, document or other communication, if sent by electronic means (including through any relevant system), shall be deemed to have been given on the Business Day following that on which the electronic communication was sent by, or on behalf of, the Company and proof that a notice contained in an electronic communication was sent in accordance with guidance issued from time to time by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that notice was given.
- 22.10 A notice may be given by the Company to the persons entitled to a Share in consequence of the death or bankruptcy of a Shareholder by sending or delivering it, in any manner authorised by these Articles for the giving of notice to a Shareholder, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any

like description at the address if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

23. INDEMNITY AND INSURANCE

23.1 Without prejudice to any indemnity to which a Relevant Officer is otherwise entitled:

- (a) each Relevant Officer shall be indemnified by the Company out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer:
 - (i) in the actual or purported execution and/or discharge of his duties, or in relation thereto; and
 - (ii) in relation to the activities of a company (whether or not the Company) that is a trustee of an occupational pension scheme (as defined in section 235(6) of the Act) acting in this capacity,

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted, or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part, or in connection with any application in which the court grants him, in his capacity as a Relevant Officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or Member of the same Group's) affairs; and

- (b) the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 23 and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure.

23.2 The Company shall, at the expense of the Company, effect and maintain for each Director policies of insurance insuring each Director against any Relevant Loss. The Company may choose to do the same for any Relevant Officer who is not a Director.

23.3 In this Article:

- (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 or any pension fund or employees' share scheme of the Company; and
- (b) **'Relevant Officer'** means any Director or other officer or former Director or other officer of the Company.