

Company No.10592117

THE COMPANIES ACT 2006

ALDERMAN'S DRINKS LIMITED

(a Private Company Limited by Shares)

(the "Company")

WRITTEN RESOLUTION

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose the following Written Resolution be passed as a Special Resolution pursuant to the articles of association of the Company, and chapter 2, Part 13 of the Companies Act 2006

SPECIAL RESOLUTION:

(1) That the draft articles of association attached to this written resolution be and they are hereby adopted as the new articles of association of the Company

ORDINARY RESOLUTION:

(1) That the existing shares be subdivided into ordinary shares of £0.01 each with the rights set out in the new Articles of Association.

Liam Manton and Mark Smallwood

by order of the Board

Circulation Date [] 2018

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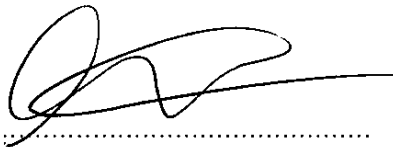
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COMPANIES HOUSE

Please read the notes at the end of this document which constitute the statement required to accompany the resolution(s) by s 291(4) of the Companies Act 2006 Notes overleaf before signifying your agreement to the Written Resolution(s).

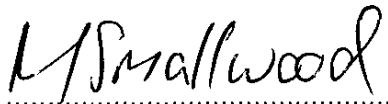
Pursuant to section 283(2) of the Companies Act 2006, we, the undersigned, being more than 75% by votes of the eligible member(s) of the Company who would have been entitled to vote on the resolution set out above on the Circulation Date stated above hereby irrevocably agree to the resolution, as a Special Resolution:

Signed by **Liam Manton**



Date: 17 August 2018

Signed by **Mark Smallwood**



Date: 17 August 2018

Notes

1. If you agree to the proposed Written Resolution please sign and date this document on the dotted line where indicated above and returning it by one of the means specified below return it to the Company using one of the following methods, in each case by no later than 5pm on the date 28 days after the Circulation Date stated overleaf:

(a) By Hand: delivering the signed copy by hand to the Company's registered office of the Company

(b) by post mail addressed to the Company's registered office of the Company .☐

If you do not agree to the Written Resolution you do not need to do anything. You will not be deemed to agree if you fail to reply.

The Written Resolution will lapse if the agreement of the required

majority of eligible members is not received by the Company by 5pm on the date 28 days after the Circulation Date stated overleaf. If the Company does not receive this signed document from you by this date and time it will not be counted in determining whether the Written Resolution is passed.

2. The Written Resolution is passed on the date and time that the Company receives the agreement of the required majority of eligible members. The required majority for an Ordinary Resolution is eligible members representing a simple majority of the total voting rights of eligible members. The required majority for a Special Resolution is eligible members representing not less than 75% of the total voting rights of eligible members.
3. Once you have indicated your agreement to the resolution, you may not revoke your agreement to the Written Resolution once you have signed and returned this document to the Company.
4. If you are signing this document on behalf of a person under a power of attorney or other authority ☐ please send a copy of the relevant power of attorney or authority when returning this document.

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

-of-

Alderman's Drinks Limited

Company number: 10592117

(adopted on

17 August 2017

Company number: 10592117

NEW ARTICLES OF ASSOCIATION

Of

Alderman's Drinks Limited

(the 'Company')

(Adopted on 17 August 2018)

INTERPRETATION

1. In these Articles, unless the contrary intention appears, the following definitions apply:

"the Act"	the Companies Act 2006
"Bad Leaver"	a Leaver who is not a Good Leaver
"Connected Person"	as defined by the Income and Corporation Taxes Act 1988 s839
"Controlling Interest"	shares conferring in the aggregate over 50 per cent. of the total voting rights conferred by all the shares in the capital of the Company for the time being in issue and conferring the right to vote at all general meetings of the Company and shall include shares held by all persons who in relation to each other are Connected Persons
"Directors"	the directors from time to time of the Company
"Good Leaver"	a Leaver who leaves employment for reasons of (i) death, (ii) permanent incapacity, (iii) retirement at normal retirement age, (iv) in circumstances entitling the Leaver to successfully claim significant statutory or other compensation or damages for

	constructive and/or unfair or wrongful dismissal (other than for purely technical or procedural reasons); and/or (v) a Leaver who the directors otherwise unanimously resolve by should be treated for the purposes of these Articles as a Good Leaver;
"Leaver"	a (former) employee of the Company or any subsidiary of the Company who is a shareholder on ceasing to be an employee of the Company or any subsidiary of the Company;
"Listing"	the admission of all or any of the share capital of the Company to trading on the Official List of the UK Listing Authority or the AIM Market of the London Stock Exchange plc or any other recognised investment exchange on which the shares of the Company so admitted are freely tradable
"Model Articles"	The Companies Act 2006 Model Articles for Private Companies Limited by Shares
"Ordinary Shares"	Ordinary Shares of 1p each in the share capital of the Company
"Prescribed Price"	as defined in Articles 8 and 9
"Sale"	the sale (meaning the entering into of an unconditional agreement or agreements for a sale or a conditional agreement or agreements for a sale becoming unconditional in all respects) (in one transaction or a series of related transactions) of any part of the share capital of the Company to any person resulting in that person together with any Connected Person or Persons or a Concert Party of that person having an interest directly or indirectly in a holding of 50.1% or more of the votes then exercisable at general meetings of the Company or a disposal of a whole or any part

"Share"	of the business undertaking of the Company an ordinary share of 0.1p in the capital of the Company
"Shareholder"	a holder for the time being of Shares
"Specified Price"	Specified Price as provided in Article 9 and 10.

1.2 Headings are used in these Articles for convenience only and shall not affect their construction or interpretation.

1.3 In these Articles, unless the context does not so admit:

1.3.1 reference to an individual or individuals shall include his or their personal representative(s):

1.3.2 reference to the singular includes a reference to the plural and vice versa and reference to the masculine includes a reference to the feminine and neuter and vice versa;

1.3.3 words and expressions defined in the Act shall have the same meanings herein;

1.3.4 the expressions "paid-up" or "paid up value" as used in relation to any part of the share capital of the Company shall mean the total amount paid up, or credited as paid up, on the relevant shares including any premium paid up thereon.

MODEL ARTICLES

- 2 The Companies Act 2006 Model Articles for Private Companies Limited by Shares shall apply to the Company save insofar as they are excluded or modified hereby. To Regulation 9(2)(c) shall be added 'and no objection shall be raised by any director to the holding of some or all of the Company's board meetings by telephone only.' Regulation 13 shall not apply since the chairman does not have a casting vote. To Regulation 18 shall be added (g) on termination or notice of intended termination of employment, and in addition to the remaining regulations of the Model Articles as

may be modified by the following, the following shall be the Articles of Association of the Company. Particular attention is drawn to Article 26(5) of the Model Articles which provides: The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

PRIVATE COMPANY

- 3 The Company is a private company and accordingly any invitation to the public to subscribe for any shares or debentures of the Company is prohibited.

SHARE CAPITAL

4 Shares

- 4.1 The Company may (although it has not done so at the date of adoption of these articles) issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the Directors may determine the terms, conditions and manner of redemption of any such Shares.
- 4.2 Sections 561 and 562 of the Act (ie pre-emption rights on issue of shares) shall apply to the Company
- 4.3 The Company at the date of adoption of these Articles does not have an authorised share capital acting as a limit on the issue of shares. At the date of adoption of these Articles the ordinary share capital of the Company consists of Ordinary Shares of 1p each which are non-preferential. They are not subject to redemption either at the request of the Company or at the request of the holder or convertible into redeemable shares. The Ordinary Shares shall rank *pari passu* in all respects.

ISSUES OF SHARES

- 5 Shares which are comprised in the authorised share capital of the Company shall be under the control of the Directors who may (pursuant to Section 551 of the Act) allot, grant options over or otherwise dispose of the same, to such persons, on such terms and in such manner as they think fit but subject to the provisions of Article 6.

- 6 Subject to these Articles and in particular Article 4.2 the pre-emption provision of sub-section (1) of Section 561 and sub-sections (1) to (6) of Section 562 of the Act as amended by Article 4.2 shall apply to any allotment of the Company's equity securities PROVIDED THAT (a) the period specified in Section 562(5) of the Act shall be 14 days and (b) the holders of that class of equity securities ("Equity Shareholders") who accept shares shall be entitled to indicate that they would accept shares that have not been accepted by other Equity Shareholders ("Excess Shares") on the same terms as originally offered to all Equity Shareholders and any shares not so accepted shall be allotted to the Equity Shareholders who have indicated they would accept Excess Shares and such Excess Shares shall be allotted in the numbers in which they have been accepted by Equity Shareholders or if the number of Excess Shares is not sufficient for all Equity Shareholders to be allotted all the Excess Shares they have indicated they would accept then the Excess Shares shall be allotted as nearly as practicable in the proportion that the number of Excess Shares each Equity Shareholder indicated he would accept bears to the total number of Excess Shares applied for.

VOTES

- 7 Each Shareholder shall have one vote on a poll for every Share of which he is the holder, except in the case of a Leaver, whose shares shall not entitle him or any connected person to vote on a poll or a show of hands.

TRANSFERS OF SHARES

- 8 Except in the case of a transfer or disposal of Shares (or interest in Shares) expressly authorised by these Articles the right to transfer or dispose of any Shares or any interest therein (including but not limited to the charging and mortgaging of any Shares) shall be subject to the following restrictions and provisions, namely:
- 8.1. Before transferring or disposing of any Shares or any interest in any Shares the person proposing to transfer or dispose of the same (hereinafter called "the Proposing Transferor") shall give a notice in writing (hereinafter called a "Transfer Notice") to the Company that he desires to transfer the same. The Transfer Notice or, in the case of Shares transferred in accordance with Article 9, the Deemed Transfer Notice, shall constitute the Company his agent for the sale of the Shares therein mentioned (together with all rights then

attached thereto) ("the Sale Shares") at the Prescribed Price (as hereinafter defined) in accordance with these Articles and shall not be revocable except with the consent of the Board.

8.2. If not more than one month before the date ("the Transfer Notice Date") on which the Transfer Notice is given the Proposing Transferor and a majority of the Directors shall have agreed between them in writing a price per Sale Share as representing the market value or as being acceptable to the Proposing Transferor then that price shall be the Prescribed Price (subject to the deduction of any dividend or other distribution declared or made after such agreement and prior to the Transfer Notice Date). Otherwise in the absence of agreement one month before the Transfer Notice Date upon the giving of the Transfer Notice the Directors shall request the auditors of the Company ("the Auditors") to determine and certify the Prescribed Price. The value of the relevant shares the subject of the Transfer Notice shall be that proportion of the value of the company so calculated as those shares represent of the entire issued share capital including shares to be issued on exercise of options after applying a fair discount to reflect the fact that the shares are a minority holding and to the extent the valuers consider reasonable to reflect the fact- to the extent that it is a fact only- that the relevant shares are subject to certain restrictions under these articles. The effect on the value of the company of the services of the Leaver no longer being available to the Company shall also be fully reflected in the valuation. ('Market Value') Where the Transfer Notice relates to shares of a Bad Leaver the Prescribed Price shall be the lower of Market Value and original subscription price (paid by the Leaver in cash) or where they were not subscribed in cash, par.

8.3 If the Prescribed Price was agreed as above prior to the Transfer Notice Date the Prescribed Period shall commence on the Transfer Notice Date. If the Prescribed Price was not so agreed the Prescribed Period shall commence on the date on which the Auditors shall have notified the Directors of their determination of the Prescribed Price (pending which the Directors shall defer the making of the offer mentioned below).

8.4 Where Shares included in any Transfer Notice are held by a full time employee or former full time employee of the Company the board may direct

that they first be offered to an employee benefit trust set up and funded by the Company and they shall be offered to the trustees in writing, or where no employee benefit trust exists, to the Company itself, which offer shall remain open and capable of acceptance for a period of thirty days. The employee benefit trust or the Company may elect to pay for the relevant shares in instalments not to exceed twenty four calendar monthly interest free instalments.

- 8.5 Subject to article 8.4 all Shares included in any Transfer Notice given by a Shareholder shall by notice in writing be offered within seven days of the commencement of the Prescribed Period by the Company to all Shareholders (other than the member to whose Shares the Transfer Notice relates or any member who has given a current Transfer Notice in respect of any Shares or who is bound under these Articles to give a Transfer Notice in respect of his Shares or any of them) for purchase at the Prescribed Price on the terms that in case of competition the Shares so offered shall be sold to those accepting the offer in proportion (as nearly as may be without involving fractions or increasing the number sold to any member beyond that applied for by him) to their existing holdings of Shares. Such offer shall remain open for a period of 21 days (the "Offer Period").
- 8.6 If at the end of the Offer Period there are any Sale Shares which have not been allocated the Company shall offer such shares at the Prescribed Price to such members who have stated in writing their willingness to purchase all the Sale Shares previously offered to them. This offer will invite the relevant members to state in writing the maximum number of such Sale Shares that they wish to purchase. If there are insufficient Sale Shares to meet the demand then the Directors will allocate the Sale Shares pro rata as nearly as may be in proportion to the number of Shares held by the relevant members who have indicated a willingness to buy them.
- 8.7 Thereafter the Company shall continue to make offers on the same terms while any member continues to state in writing his willingness to purchase any further Sale Shares offered to him.
- 8.8 If the Company shall not within the said periods find Purchasers willing to purchase all the Sale Shares, the Company shall promptly give notice in

writing thereof to the Proposing Transferor and the Proposing Transferor at any time thereafter up to the expiration of two months after receipt of such notice shall be at liberty to transfer those Shares (only) for which the Company has not found Purchasers to any person on a bona fide sale at any price not being less than the Prescribed Price (after deducting, where appropriate, any dividend or other distribution declared or made after the Transfer Notice Date and to be retained by the Proposing Transferor) provided that:

- 8.8.1 If the Transfer Notice shall state that the Proposing Transferor is not willing to transfer part only of the Shares concerned he shall not be entitled hereunder to transfer any of such Shares unless in aggregate the whole of such Shares are so transferred;
 - 8.8.2 the Directors may require to be satisfied that such Shares are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance whatsoever to the Purchaser and if not so satisfied may refuse to register the instrument of transfer.
- 8.9 No Share and no interest in any such Share shall be held by any member as a bare nominee or sold or disposed of to any person except in accordance with these Articles. The Directors shall refuse to register the transfer of any Share purported to be made otherwise than in accordance with these Articles. If the foregoing provision shall be infringed in respect of any Share the holder of such Share shall be deemed to have given a Transfer Notice in respect of such shares as are purported to have been disposed unless a majority of the Directors resolve otherwise.
- 8.10 A person entitled to a Share in consequence of the bankruptcy of a member or by operation of law or by any other procedure other than issue or a transfer in accordance with these Articles shall be bound at any time, if and when required in writing by a majority of the Directors so to do, to give a Transfer Notice in respect of such Shares.
- 8.11 For the purpose of ensuring that a transfer of Shares is in accordance with these Articles or that no circumstances have arisen whereby a Transfer Notice is required to be given hereunder 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 any transfer lodged for registration to furnish to the Company such information and evidence as the Directors may reasonably think fit regarding any matter which they may deem relevant to such purpose. The Directors by majority decision shall be entitled to refuse to register the transfer in question or to require by notice in writing that a Transfer Notice be given in respect of the Shares concerned.

- 8.12 In any case where a Transfer Notice is required to be given in respect of any Shares and such Transfer Notice is not duly given within a period of one week after the relevant Shareholder has been given notice of the requirement such Transfer Notice shall (except and to the extent that an instrument of transfer in respect of a permitted transfer of any of such Shares shall have been lodged at the Company) be deemed to have been given at the expiry of the period and the provisions of the Articles relating to Transfer Notices shall take effect accordingly.
- 8.13 For the purposes of these Articles, if the cash value of any non-cash consideration to be provided for the Sale Shares is to be determined the cash value shall be the amount agreed between the Seller and the Company as being the cash value of that non-cash consideration and if the Seller and the Company fail to agree as to the cash value within 15 business days of the date of the relevant Transfer Notice, the cash value shall be the amount certified by the expert appointed at the joint request of the seller and the Company as being the cash value as at the date of the relevant Transfer Notice. If within 20 business days of the date of the relevant Transfer Notice the Seller and the Company fail to agree on the appointment of a particular expert, either party may request the President for the time being of the Institute of Chartered Accountants in England & Wales to determine the cash value of any non-cash consideration and the cash value of that non-cash consideration shall be the amount certified by any investment bank so appointed as being, in their opinion, the cash value of that non-cash consideration at the date of the relevant Transfer Notice.

DEEMED TRANSFER NOTICE

9.1 In any case where a shareholder of the Company becomes a Leaver or:-

9.1.1 becomes bankrupt or insolvent; or

9.1.2 commits a material breach of any service agreement relating to the Company or any subsidiary of the Company and fails to remedy such breach within 28 business days of receipt of notice to remedy such breach from all remaining shareholders;

9.1.3 dies (save that a former employee and/or former director who has died shall not be treated as a Leaver in respect of any shares in the Company which have been or will be bequeathed by will or transferred on intestacy to a spouse (whether legally or beneficially) who is also a full time employee and/ or a director); and/or

9.1.4 being a consultant ceases to be engaged for services with the Company or any subsidiary of the Company,

he/she shall be deemed to have served a Transfer Notice pursuant to Article 8 above in respect of 100% of his/her holding of Shares (including any Shares deemed to be held for or by him pursuant to Article 8.4) and the provisions of Article 8 shall apply in relation thereto save that where the person is a Bad Leaver the Prescribed Price shall be the lower of Market Value and the subscription price such person paid for such Shares. For the purposes of this Article the Transfer Notice Date in respect of such Transfer Notice shall be such date as shall be specified by a majority of the Directors. The Company shall have the power to execute all documents required to be executed by a Leaver with full power and authority to bind the Leaver and execute documents on his or her behalf including without limitation stock transfer forms and share certificate indemnities and any such document executed by the Company shall be treated for all purposes as if it was executed by the Leaver.

The provisions of this Article 9.1 may be relaxed or waived with the unanimous consent of the Board in relation to a Shareholder to whom they would otherwise apply.

TAG ALONG RIGHTS

- 10.1 Notwithstanding anything in these Articles no sale or transfer of any Shares to any person which would result if made and registered in a person whether or not then a member of the Company obtaining or increasing a Controlling Interest in the Company (hereinafter referred to as "Specified Shares") shall be made or registered, and no transfer for value of any Shares shall be made to any person who is not already a registered shareholder unless:
- 10.1.1 In the case of a transfer obtaining or increasing a Controlling Interest, before the transfer is lodged for registration the proposed transferee or his nominee has thereafter made an offer (stipulated to be open for acceptance for at least until the end of the Prescribed Period and defined in Article 9) to purchase all the other Shares at the Specified Price (as hereinafter defined) together with any arrears and accruals of dividend which offer every offeree shall be bound within twenty-eight days of its making to him either to accept or reject in writing (and in default of so doing shall be deemed to have rejected the offer);
- 10.1.2 In the case of any other transfer for value to any person who is not already a registered shareholder before the transfer is lodged for registration the proposed transferee or his nominee has thereafter made an offer (stipulated to be open for acceptance for at least until the end of the Prescribed Period and defined in Article 9) to purchase from all the existing ordinary shareholders on a basis pro rata to their existing shareholdings the shares which he wishes to acquire at the Specified Price (as hereinafter defined) together with any arrears and accruals of dividend which offer every offeree shall be bound within twenty-eight days of its making to him either to accept or reject in writing (and in default of so doing shall be deemed to have rejected the offer) and any offeree accepting the offer shall indicate the maximum or minimum number of shares he or she wishes to sell at the Specified Price so that those accepting can sell more shares pro rata to make up for any shortfall in availability of shares arising from shareholders not wishing to accept the offer;

10.1.3 Before the transfer is registered each such accepted offer is completed and the consideration thereunder paid (subject only to registration of the transfer in respect of the Specified Shares) except insofar as failure to complete is due to the fault of the offeree.

Provided that the provisions of this Article shall not apply to the transfer of shares pursuant to Article 8 to an existing shareholder who thereby achieves a majority holding in the issued share capital of the Company.

11.1 For the purpose of the preceding Article 10:

11.1.1 the expression "transfer", "transferor" and "transferee" shall include respectively the renunciation of a renounceable letter of allotment, the original allottee and the renounee under any such letter of allotment; and

11.1.2 the "Specified Price" shall mean, where relevant, and subject as set out below, a price per Share at least pari passu with that offered or paid or payable by the proposed transferee or transferees or his or their nominees for the Specified Shares to the holders thereof plus an amount equal to the relevant proportion of any other consideration and/or benefits (in cash or otherwise) (excluding normal salary bonus and other forms of remuneration) received or receivable by the holders of the Specified Shares In the event of disagreement the calculation of the Specified Price shall be referred to an umpire (acting as expert and not as arbitrator) nominated by and acting at the joint expense of the parties concerned (or, in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales at the request of any of the parties concerned) whose decision shall be final and binding.

DRAG ALONG RIGHTS

12.1 A party or parties acting together which hold(s) a majority Ordinary Shares in the Company may transfer shares in the Company in accordance with the following provisions:

12.1.1 Such a party or parties (Seller) may accept a bona fide offer (Offer) from a third party (Proposed Buyer) for the purchase of the entire legal and beneficial interest in all shares owned by it in the Company for a consideration payable on arm's length terms so long as the acceptance is conditional upon the terms of this article being complied with in all respects and that condition is not waived.

12.2 On accepting the Offer the Seller shall:

12.2.1 notify the other shareholders ('Remaining Shareholders') of the main terms of the Offer (including where relevant the warranties and indemnities to be given) and that it has contracted (subject to relevant conditions) to accept the Offer as permitted by this clause, such notice to constitute a warranty and representation by the Seller to the Remaining Shareholders that the Offer complies with this clause;

12.2.2 procure that within 30 days of such notice or following expiry of the Relevant Period if later that the Proposed Buyer makes a binding written offer to the Remaining Shareholders at the same price per share and on terms (including where relevant the warranties and indemnities to be given) that are not worse than those in the Offer; and

the Remaining Shareholders shall accept such offer promptly and if they fail to do so the Company shall have the power to execute such documents as are necessary to give effect to the acceptance and transfer on the same terms as the Offer.

12.3 The provisions of this article 12 are subject to the provisions of article 8.

DIRECTORS

13.1. Unless otherwise determined by ordinary resolution the number of Directors (other than alternate directors) shall be two or more. Decisions of the Board as Directors to be effective shall be by majority.

13.2 A Director shall not retire by rotation and a Director appointed to fill a casual vacancy or as an addition to the Board shall not retire from office at the Annual General

Meeting next following his appointment.

- 13.3 The office of Director shall be vacated if the Director in the reasonable opinion of all his co-Directors becomes incapable by reason of mental disorder of discharging his duties as Director. In addition, the office of Director shall be vacated if (other than in the case of the Investor Director) he is removed from office by notice signed by all his co-directors and addressed to him at his last known address.
- 13.4 A Shareholder at the date of adoption of these Articles and any subsequent shareholder holding 20% or more of the existing share capital of the Company shall have the right from time to time by notice in writing to the Company (to take effect on delivery) to be (or to appoint and remove) a director of the Company. On the date that the Shareholder(s) cease to be the holders of any Shares they shall be deemed to have given notice to the Company resigning or removing any Director previously appointed by them with effect from such date.
- 13.5 The Director so appointed shall be entitled to appoint any person willing to act, whether or not he is a Director, to be his alternative director and such person need not be approved by resolution of the Directors.
- 13.6 Although the business of the Directors shall ordinarily be conducted on the basis of one Director one vote, then provided all shareholders are present or represented by their sole appointee (in person or by any other means of communication including telephone or Skype) any Director may require that any matter put for resolution to Directors shall instead be put to members to be decided on a poll.

BOARD MEETINGS

- 14.1 Meeting of the board of Directors shall take place no less frequently than four times every calendar year. Not less than 14 days' notice of each meeting of the Directors specifying the date, time and place of the meeting and the business to be transacted shall be given to all Directors save in exceptional circumstances or where such requirement is waived by all the Directors. Directors resident outside the United Kingdom shall be notified of such meeting by facsimile or telegram (or its international equivalent) at the address notified by them to the Company for such purpose. Each Director shall be entitled to have full access to all Company

information including all financial information at all times.

- 14.2 No business shall be transacted at any meeting of the board of Directors unless there shall be present in person or on the telephone not less than two Directors (including the Investor Director, if appointed) save that if a quorum is not present at any meeting of the board of Directors then that meeting shall be reconvened for a day seven days later when those Directors present shall form a quorum.
- 14.3 Any Director or his alternate may participate in a meeting of the Directors or a committee of the Directors by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other. Participating in any such meeting in this manner shall be deemed to constitute presence at the meeting.
- 14.4 Without prejudice to any obligation of any Director to disclose his interest, a Director may vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty and if he does so vote his vote shall be counted and he shall be counted in the quorum present at a meeting in relation to any such resolution
- 14.5 The Chairman shall not have a casting vote.

15 CONFLICTS

Power to authorise conflicts of interest

15.1 Non-transactional conflicts

- 15.1.1 Subject to Article 15.1.7, a Director must avoid any 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, including situations which involve the exploitation of property, information or opportunities regardless of whether or not the Company could have exploited such circumstances or whether the Director has, in fact, exploited such circumstances (a '**Conflict**').
- 15.1.2 The Directors are hereby empowered for the purposes of s175 of the Act to authorise any Conflict that may arise and to amend or vary any such authorisation. Such authorisation shall be given by board resolution made in accordance with these Articles.

15.1.3 A Directors' meeting called for the purpose of passing a resolution under Article 15.1.2 shall only be valid and the consequent resolutions effective if:

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

15.1.3.2 the matter was agreed to without his voting or would have been agreed to if his vote had not been counted.

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

15.1.4.1 extend to any actual or potential Conflict which may reasonably be expected to arise out of the matter so authorised;

15.1.4.2 be subject to such terms and for such duration, or impose such limits or conditions, as the Directors may determine; and

15.1.4.3 be terminated or varied by the Directors at any time but so that any such termination or variation shall not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.

15.1.5 Where the Directors authorise a Conflict:

15.1.5.1 the Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict; and

15.1.5.2 the Director will not infringe any duty he owes to the Company by virtue of ss171-177 of the Act provided he acts in accordance with such terms, limits and conditions as the Directors impose in respect of its authorisation.

15.1.6 Where the Directors authorise a Conflict they may provide, without limitation (whether at the time of giving the authorisation or subsequently), that the Director:

15.1.6.1 is excluded from discussions (whether at Directors' meetings or otherwise) related to the Conflict;

15.1.6.2 is not given any documents or other information relating to the Conflict; and

15.1.6.3 may or may not vote (or may or may not be counted in the quorum) at any future Directors' meeting in relation to any resolution relating to the Conflict.

15.1.7 The duty in Article 15.1.1 will not be breached if:

- 15.1.7.1 the circumstances giving rise to the Conflict or possible Conflict cannot reasonably be regarded as likely to result in a conflict of interest between the Director and the Company;
- 15.1.7.2 the specific Conflict is authorised by the Directors in accordance with this Article or by ordinary resolution;
- 15.1.7.3 the Conflict exclusively relates to the Director's status as a Director of, or to his other interests in, any member of its Group; or
- 15.1.7.4 the Conflict exclusively relates to the Director acting in a professional capacity for the Company or any member of its Group, whether or not he is remunerated for it.
- 15.1.8 Without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information in circumstances where disclosure may otherwise be required under these Articles, in authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict, otherwise than through his position as a Director and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation to:
- 15.1.8.1 disclose such information to any Director or other officer or employee of the Company; or
- 15.1.8.2 use or apply any such information in performing his duties as a Director, where to do so would amount to a breach of that confidence.
- 15.1.9 Subject to Articles 15.1.3 to 15.1.6, a Director with a Conflict shall continue to be entitled to receive notice of, attend, count towards the quorum of and vote at all Directors' meetings. He may take such additional steps as may be necessary or desirable for the purpose of managing such Conflict, including but not limited to:
- 15.1.9.1 absenting himself from any Directors' meetings at which the relevant situation is considered; and
- 15.1.9.2 not reviewing documentation or information made available to Directors generally in relation to the Conflict and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documentation or information.

15.1.10 A Director shall not be required to account to the Company for any profit, remuneration or other benefit he derives from or in connection with a relationship involving a Conflict which has been duly authorised by the Directors or the Company in general meeting and no contract is liable to be voided on such grounds.

15.1.11 A Director is required to disclose to the Directors all Conflicts of which he is aware upon his appointment as a Director as well as any changes to such Conflicts as soon as he becomes aware of them. A notification to the Directors made in accordance with s184 (declaration by way of written notice) or s185 (general notice) of the Act is deemed adequate disclosure for the purposes of these Articles.

15.1.12 The Directors shall maintain a register of all Directors' Conflicts. The Directors shall also institute procedures for the ongoing identification and disposal of Conflicts in such a manner as they deem appropriate.

15.2 Transactional conflicts

15.2.1 If a Director is in any way, directly or indirectly, interested in an actual or proposed transaction or arrangement with the Company or any member of its Group, he must, subject to Article 15.2.2 declare the nature and extent of that interest to the other Directors. Provided that such obligation shall not be breached if:

15.2.1.1 the situation cannot reasonably be regarded as likely to result in a conflict of interest between the Director and the Company; or

15.2.1.2 the interest exclusively relates to the Director's status as a Director of, or to his other interests in, any member of its Group.

15.2.2 Subject to Article 15.1.1, if a Directors' meeting, or part of a Directors' meeting, is concerned with such an actual or proposed transaction or arrangement and a Director has declared his interest he is not to be counted as participating in that meeting, or part of a meeting, for quorum or voting purposes.

15.2.3 A Director who makes such a declaration is to be counted as participating in a decision at a Directors' meeting, or part of a Directors' meeting, relating to it for quorum and voting purposes if:

15.2.3.1 his co-Directors present at such meeting approve his continued participation (and for these purposes the provisions of Article 15.1.3 *mutatis mutandis* shall apply);

15.2.3.2 the Company by ordinary resolution disapplies the provisions of these Articles which would otherwise prevent a Director from being counted as participating in, or voting at, a Directors' meeting; or

15.2.3.3 the Director's interest arises from:

15.2.3.3.1 a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of the Company or any member of its Group; or

15.2.3.3.2 arrangements pursuant to which benefits are made available to employees and Directors or former employees and Directors of the Company or any of its subsidiaries which do not provide special benefits for Directors or former Directors.

16 Records of decisions to be kept

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.

INDEMNITY

15.1 Subject to the provisions of the Act, but without prejudice to any indemnity to which he may otherwise be entitled, every director, alternate director, secretary, auditor or other officer of the Company shall be indemnified out of the assets of the Company against all losses, liabilities and costs which he may incur in the execution of his duties or the exercise of his powers, authorities and discretions including a liability incurred in defending any proceedings (whether civil or criminal) which relate to anything done or omitted or alleged to have been done or omitted by him as an officer of the Company in which judgment is given in his favour or in which he is acquitted or which otherwise end without a finding or admission of material breach of duty on his part or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

15.2 The Directors may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is an officer or employee, or former officer or employee, of the Company or of a company which is a subsidiary of the Company or in which the Company has an interest (whether direct or indirect), or who is or was trustee of a retirements benefits scheme or another trust in which an officer or

employee or former officer or employee is or has been interested, indemnifying him against liability for negligence, default, breach of duty or breach of trust or any liability which may lawfully be insured against by the Company.