

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
AND CO WORKS LIMITED
Company No. 1089914

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THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
AND CO WORKS LIMITED

(Adopted by special resolution passed on

2020)

IT IS AGREED as follows:

1. INTERPRETATION

1.1 In these Articles, the following words have the following meanings:

"Act"	means the Companies Act 2006;
"Adoption Date"	means the date of adoption of these Articles;
"Appointor"	has the meaning given in Article 6.1;
"Articles"	means the Company's articles of association for the time being in force and "Article" is a reference to an article therein;
"Bad Leaver"	<p>save for (where applicable) any of the Principal Parties to the Shareholders' Agreement as at the date hereof, means an Employee who becomes a Departing Employee where either:</p> <p>(a) he/she becomes a Departing Employee by reason of summary dismissal for cause; or</p> <p>(b) in respect of any person who becomes an Employee following the Adoption Date, he/she becomes a Departing Employee at any time within two years of the date on which they became an Employee for any reason whatsoever;</p>
"Board"	means the board of Directors of the Company as constituted from time to time;
"Business Day"	means a day other than a Saturday, Sunday or public holiday in England when banks in the City of London are open for business;
"cause"	for the purposes of the definition of "Bad Leaver", means in circumstances where the Company is entitled, pursuant to its arrangements with such Employee, to terminate the Employee's engagement summarily without further payment

	and/or compensation (save for any statutory compensation awarded by an employment tribunal);
"Company"	means And Co Works Limited, a company incorporated in England and Wales with company number 1089914;
"Conflict"	means a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company;
"Continuing Shareholders"	has the meaning given in Article 13.1;
"Controlling Interest"	means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010;
"Departing Employee"	means an Employee who ceases to be an Employee of any Group Company and who does not continue as, or become, an Employee of any Group Company;
"Director"	means a director of the Company;
"Electronic Communication"	means a document or information sent or supplied in such electronic form by such electronic means as are set out in section 1168 of the Act including, without limitation, e-mail, facsimile, CD Rom, audio tape, telephone transmission and publication on a website;
"Employee"	means an individual who is a Director and/or an employee and/or a consultant of any Group Company;
"Encumbrance"	means any mortgage, charge (fixed or floating), pledge, lien, guarantee, option, hypothecation, trust, any assignment by way of security, or other security interest of any kind, howsoever created or arising, or any other agreement or arrangement (including a sale and repurchase agreement) or any like agreement or arrangement creating any of the same or having similar effect;
"Fair Value"	means in relation to Sale Shares or Relevant Shares, the price per Sale Share or Relevant Share as determined in accordance with Article 12.2;
"Family Trust"	means as regards any particular Shareholder who is an individual (or deceased or former Shareholder who is an individual) any trust (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made, or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares

in question is for the time being vested in any person other than the particular Shareholder and/or any of the Privileged Relations of that Shareholder (and so that for this purpose a person shall be considered to be beneficially interested in a Share if such Share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of any such person or any voting or other rights attaching thereto are exercisable by or as directed by any such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons);

"Group"

means the Company, any Subsidiary or any Holding Company from time to time of the Company, and any Subsidiary from time to time of a Holding Company of the Company from time to time and "Group Company" shall be construed accordingly;

"Good Leaver"

means an Employee who becomes a Departing Employee where he/she is not a Bad Leaver;

"Independent Expert"

means the accountants or auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator);

"Interested Director"

has the meaning given in Article 4.1;

"Member of the Same Group"

means as regards any company, a company which is from time to time a Holding Company or a Subsidiary of that company or a Subsidiary of any such Holding Company;

"Model Articles"

means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles and reference to a numbered "Model Article" is a reference to that article of the Model Articles;

"Original Shareholder"

has the meaning given to it in Article 9.1;

"Permitted Group"

means in relation to a company, any Subsidiary of that company, any company of which it is a Subsidiary (its Holding Company) and any other Subsidiaries of any such Holding Company; and each company in a Permitted Group is a member of the Permitted Group. Unless the context otherwise requires, the application of the definition of Permitted Group to any company at any time will apply to the company as it is at that time;

"Permitted Transfer"	means a transfer of shares made in accordance with Article 9;
"Permitted Transferee"	means in relation to a Shareholder any <ul style="list-style-type: none"> (a) member of the same Permitted Group as that Shareholder; (b) a Family Trust; or (c) a Privileged Relation;
"Principal Parties"	has the meaning given to it in the Shareholders' Agreement, but for the purposes of the Articles shall not include any persons who become parties to the Shareholders' Agreement subsequently by a deed of adherence;
"Privileged Relations"	in relation to a Shareholder who is an individual (or a deceased or former Shareholder who is an individual) means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate children and their issue);
"Relevant Shares"	means all Shares held by the Shareholder in question, and any Permitted Transferee or Family Trust or Privileged Relation of that Shareholder (other than those Shares held by those persons that the Directors are satisfied were not acquired directly or indirectly from the Shareholder) or by reason of his/her relationship with the Shareholder;
"Sale Shares"	has the meaning given in Article 10.2.1;
"Seller"	has the meaning given in Article 10.2;
"Shares"	means issued shares (of any class) in the capital of the Company and "Share" shall be construed accordingly;
"Shareholder"	means a holder for the time being of any Share or Shares;
"Shareholders' Agreement"	means the agreement dated on or around the date hereof made between those persons as set out in Schedule 2 thereto, the Founder and the Company, as amended from time to time;
"Termination Date"	means: <ul style="list-style-type: none"> (a) where an Employee's employment ceases by virtue of notice given by the employer to the Employee, the date of such notice; (b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was

served;

- (c) where an Employee dies, the date of his death;
- (d) where the Employee concerned is a Director but not an employee, the date on which notice is given for the termination of his service agreement (or other terms of appointment) with the Company; or
- (e) in any other case, the date on which the employment or holding of office is terminated;

"Transfer Notice"

means an irrevocable notice in writing given by any Shareholder to the Company where the Shareholder desires, or is required by these Articles, to transfer or offer for transfer (or enter into an agreement to transfer) any Shares;

"Transfer Price"

has the meaning given in Article 12.1; and

"Writing or written"

means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have those meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an "Article" is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 A reference to a **Holding Company** or a **Subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act.
- 1.6 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.7 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.8 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.9 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.10 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.

- 1.11 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.12 A reference to a person shall include a reference to a firm, a body corporate, an unincorporated association, a partnership or to an individual's executors or administrators.

2. ADOPTION OF THE MODEL ARTICLES

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 2.2 Model Articles 11, 12, 14, 26(5), 30, 44(2) and 52 and 53 shall not apply to the Company.
- 2.3 Model Article 20 shall be amended by the insertion of the words "(including alternate Directors)" before the words "properly incur".

DIRECTORS

3. DIRECTORS' MEETINGS

- 3.1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles.
- 3.2 Subject as provided in these Articles, the Directors may participate in Directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.
- 3.3 All decisions made at any meeting of the Directors or of any committee of the Directors shall be made only by resolution and resolutions at any meeting of the Directors or committee of the Directors shall be decided by a majority of votes.
- 3.4 A meeting of Directors shall be held not less than four times per annum, to be held every quarter.
- 3.5 Any Director may call a meeting of Directors (or of any committee of the Directors).
- 3.6 The quorum for the transaction of business at a meeting of the Directors (or of any committee of the Directors) is any two Directors present at the meeting who are entitled to vote and be counted in the quorum at such meeting, of whom one shall be Sanj Mahal ("SM") or his alternate (for so long as SM remains a Director and SM and Nicole Mahal ("NM") together hold at least 30% in nominal value of the issued Shares for the time being), save that for the purposes of authorising a Conflict in accordance with Article 4, the quorum requirement shall be reduced to any one Director. No business shall be conducted at any meeting of Directors (or of any committee of the Directors) unless a quorum is present at the beginning of the meeting and at the time when there is to be voting on any business.
- 3.7 If a quorum is not present within 30 minutes of the time specified for a Directors' meeting in the notice of the meeting then it shall be adjourned for five Business Days at the same time and place. If at the adjourned meeting a quorum is not present within 30 minutes of the time specified for the Directors' meeting in the notice of the adjourned meeting, then those Directors present will constitute a quorum.
- 3.8 For so long as SM and NM together hold at least 30% in nominal value of the issued Shares for the time being and SM and NM are appointed to the Board, either SM or NM must vote in favour of any Board resolution (including any resolution in writing) for it to be passed, save where neither SM or NM are in attendance at a Board meeting.

4. DIRECTORS' INTERESTS

- 4.1 The Directors may, in accordance with the requirements set out in this Article, authorise any Conflict proposed to them by any Director which would, if not so authorised, involve a Director (the "Interested Director") breaching his duty under section 175 of the Act to avoid conflicts of interest.
- 4.2 Any authorisation under this article will be effective only if:
- 4.2.1 the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles;
 - 4.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - 4.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 4.3 Any authorisation of a Conflict under this Article may (whether at the time of giving the authorisation or subsequently):
- 4.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 4.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
 - 4.3.3 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
 - 4.3.4 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, she/he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
 - 4.3.5 permit the Interested Director to absent himself/herself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 4.4 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself/herself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.
- 4.5 The Directors may revoke or vary such authorisation at any time but this will not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.
- 4.6 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which she/he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 4.7 Subject to sections 177(5) and 177(6) of the Act, a Director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall

declare the nature and extent of his interest to the other Directors before the Company enters into the transaction or arrangement in accordance with the Act.

4.8 Subject to sections 182(5) and 182(6) of the Act, a Director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other Directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under Article 4.7.

4.9 Subject, where applicable, to any terms and conditions imposed by the Directors in accordance with Article 4.3, and provided a Director has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

4.9.1 may be a party to, or otherwise interested in, any such transaction or arrangement with the Company, or in which the Company is otherwise (directly or indirectly) interested;

4.9.2 shall be entitled to count in the quorum for and vote at a meeting of Directors (or of a committee of Directors) or participate in any unanimous decision, in respect of such transaction or arrangement or proposed transaction or arrangement in which she/he is interested;

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

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

4.9.5 shall not, save as she/he may otherwise agree, be accountable to the Company for any benefit which she/he (or a person connected with him/her (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be voided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

5. 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 a form that enables the Company to retain a copy of such decisions.

6. ALTERNATE DIRECTORS

6.1 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.

6.2 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.

6.3 The notice must:

- 6.3.1 identify the proposed alternate; and
- 6.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that she/he is willing to act as the alternate of the Director giving the notice.
- 6.4 An alternate director has the same rights, in relation to any decision of the Directors, as the alternate's Appointor.
- 6.5 Except as these Articles specify otherwise, alternate Directors:
 - 6.5.1 are deemed for all purposes to be Directors;
 - 6.5.2 are liable for their own acts and omissions;
 - 6.5.3 are subject to the same restrictions as their Appointors; and
 - 6.5.4 are not deemed to be agents of or for their Appointors,

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his Appointor is a member.
- 6.6 A person who is an alternate director but not a Director may:
 - 6.6.1 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 not participating); and
 - 6.6.2 participate in a unanimous decision of the Directors (but only if his Appointor does not himself/herself participate).
- 6.7 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 the Appointor is eligible to vote relation to that decision), in addition to his own vote on any decision of the Directors.
- 6.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if she/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.
- 6.9 An alternate director's appointment as an alternate (in respect of a particular Appointor) terminates:
 - 6.9.1 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
 - 6.9.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a Director; or
 - 6.9.3 when the alternate director's Appointor ceases to be a Director for whatever reason.

7. ISSUES OF SHARES

- 7.1 Save to the extent authorised by these Articles and as provided under section 550 of the Act, the Directors shall not exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares.

- 7.2 Where the Company proposes to allot any Shares, those Shares shall not be allotted to any person unless the Company has first offered the equivalent number of shares to the existing holders (on the date of the offer) of Shares (each an "Offeree") and in the respective proportions that the number of Shares held by each such holder bears to the total number of Shares held by all such holders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Shares are being, or are to be, offered to any other person.
- 7.3 An offer made under Article 7.2 shall:
- 7.3.1 be in writing and give details of the number, class and subscription price (including any share premium) of the Shares being offered;
 - 7.3.2 remain open for a period of at least 20 Business Days from the date of service of the offer; and
 - 7.3.3 stipulate that any Offeree who wishes to subscribe for a number of Shares in excess of the number to which he is entitled under Article 7.2 shall, in his acceptance, state the number of excess Shares ("Excess Shares") for which he wishes to subscribe.
- 7.4 If, on the expiry of an offer made in accordance with Article 7.2, the total number of Shares applied for is less than the total number of Shares so offered, the Directors shall allot the Shares to the Offerees in accordance with their applications, subject to a maximum of each Offeree's proportionate entitlement.
- 7.5 Any Shares not accepted by Offerees pursuant to an offer made in accordance with Article 7.2 shall be used to satisfy any requests for Excess Shares made pursuant to Article 7.3.3. If there are insufficient Excess Shares to satisfy such requests, the Excess Shares shall be allotted to the applicants in the respective proportions that the number of Shares held by each such applicant bears to the total number of such Shares held by all applicants for the Excess Shares (as nearly as possible without involving fractions or increasing the number of Excess Shares allotted to any Shareholder beyond that applied for by him).
- 7.6 If, after completion of the allotments referred to in Article 7.4 and Article 7.5 not all of the Shares have been allotted, the balance of such Shares shall be offered to any other person(s) as the Directors may, determine, at the same price and on the same terms as the offer to the Shareholders.
- 7.7 In accordance with section 567 of the Act, the provisions of section 561 and section 562 of the Act are hereby excluded.

8. SHARE TRANSFERS: GENERAL

- 8.1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or Encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share.
- 8.2 No Share shall be transferred unless the transfer is made in accordance with these Articles.
- 8.3 The Directors may, as a condition to the registration of any transfer of Shares (whether to a Permitted Transferee or otherwise) require the transferee to execute and deliver to the Company a deed under which the transferee agrees to be bound by the terms of any shareholders' agreement binding upon the Company. If any such condition is imposed in accordance with this Article 8.3, the transfer may not be registered unless that condition has been fulfilled to the satisfaction of the Directors.
- 8.4 To enable the Directors to determine whether or not there has been a transfer of Shares in breach of these Articles, the Directors may from time to time require any Shareholder to provide the Company with such information and evidence as they may reasonably require relevant to

that purpose. If a Shareholder fails to provide information or evidence in respect of any Shares registered in its name to the reasonable satisfaction of the Directors within 14 days of their request, the Directors may serve a notice on the Shareholder stating that the Shareholder shall not in relation to those Shares be entitled to be present or to vote in person or by proxy at any general meeting of the Company or any meeting of the holders of Shares of that class, or to vote on a written resolution of the Shareholders or to receive dividends on the Shares until such evidence or information has been provided to the Directors' satisfaction. The Directors may reinstate these rights at any time.

- 8.5 Any transfer of Shares by way of a sale that is required to be made under Articles 9-11 (inclusive), 13 and 14 shall be deemed to include a warranty that the transferor sells the Shares with full title guarantee.

9. PERMITTED TRANSFERS OF SHARES

- 9.1 A Shareholder (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee.

- 9.2 Where Shares are transferred by an Original Shareholder to the trustee(s) of a Family Trust, the trustee(s) may transfer such Shares to:

- 9.2.1 the Original Shareholder;
- 9.2.2 any Privileged Relation(s) of the Original Shareholder;
- 9.2.3 subject to Article 9.3, the trustee(s) of another Family Trust of which the Original Shareholder is the settlor; or
- 9.2.4 subject to Article 9.3, to the new (or remaining) trustee(s) upon a change of trustee(s) of a Family Trust,

without any price or other restriction.

- 9.3 A transfer of Shares may only be made to the trustee(s) of a Family Trust if the majority of Directors are satisfied:

- 9.3.1 with the terms of the trust instrument and, in particular, with the powers of the trustee(s);
- 9.3.2 with the identity of the proposed trustee(s);
- 9.3.3 that the proposed transfer will not result in 50% or more of the Shares being held by trustees of that and any other trusts; and
- 9.3.4 that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company.

- 9.4 If the Original Shareholder is a company, and a Permitted Transfer has been made, the Permitted Transferee shall, within 10 Business Days of ceasing to be a Member of the Same Group as the Original Shareholder, transfer the Shares held by it to:

- 9.4.1 the Original Shareholder; or
- 9.4.2 a Member of the Same Group as the Original Shareholder,

(which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this Article 9.4, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this Article 9.4.

9.5 If the Original Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, the Permitted Transferee (or the personal representatives or transmittee(s) of any such person), shall within 10 Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death, divorce or otherwise) either:

9.5.1 execute and deliver to the Company a transfer of the Shares held by him/her to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or

9.5.2 give a Transfer Notice to the Company in accordance with Article 10,

failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this Article 9.5.

9.6 Notwithstanding any other provisions of these Articles, in respect of any Shares held by Seedrs Nominees Limited, the following transfers shall be permitted without any restrictions as to price, requirement to offer on a pre-emptive basis or otherwise, and the Directors shall register such transfer of Shares where necessary to give effect to such transfer:

9.6.1 any transfer of the Shares to any person who is the beneficial owner of such Shares;

9.6.2 any transfer of the Shares to any person who is to hold the Shares as nominee for the beneficial owners in substitution for the then registered legal shareholder; and

9.6.3 any transfer of the beneficial ownership of such Shares, where the identity of the registered legal shareholder remains the before and immediately after such transfer of beneficial ownership.

10. PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

10.1 Except where the provisions of Article 9 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this Article 10.

10.2 A Shareholder who wishes to transfer Shares (a "**Seller**") shall, before transferring or agreeing to transfer any Shares, give a Transfer Notice to the Company specifying:

10.2.1 the number of Shares he wishes to transfer (the "**Sale Shares**");

10.2.2 the name of the proposed transferee, if any; and

10.2.3 subject to Article 11.4, the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the "**Proposed Sale Price**").

10.3 Where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair Value is less than the Proposed Sale Price the Seller may, within 10 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice.

10.4 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

10.5 As soon as practicable following the later of:

10.5.1 receipt of a Transfer Notice; and

10.5.2 the determination of the Transfer Price,

- the Directors shall (unless the Transfer Notice is withdrawn in accordance with Article 10.3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this Article 10 at the Transfer Price. Each offer shall be in writing and shall give details of the Transfer Price and number of the Sale Shares offered.
- 10.6 The Company shall offer the Sale Shares to the existing holders of Shares, in each case on the basis set out in Article 10.7 to Article 10.12 (inclusive).
- 10.7 The Directors shall offer the Sale Shares to the Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 20 Business Days after the offer (both dates inclusive) (the "**Offer Period**") for the maximum number of Sale Shares they wish to buy.
- 10.8 If:
- 10.8.1 at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to each Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares (other than the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors). No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy; and
- 10.8.2 at the end of the Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the Shareholders in accordance with their applications.
- 10.9 Where the allocations have been made in respect of all the Sale Shares, the Directors shall, when no further offers or allocations are required to be made under Article 10.7 and Article 8, give notice in writing of the allocations of Sale Shares (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated (each an "**Applicant**"). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 5 Business Days, but not more than 10 Business Days, after the date of the Allocation Notice). If no allocations are to be made in respect of any of the Sale Shares, the Directors shall nonetheless inform all the Shareholders accordingly in the Allocation Notice.
- 10.10 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant of the Transfer Price, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice.
- 10.11 If the Seller fails to comply with Article 10.10:
- 10.11.1 any Director may, as agent and attorney on behalf of the Seller:
- 10.11.1.1 complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
- 10.11.1.2 receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
- 10.11.1.3 (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and
- 10.11.2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered

his certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company.

- 10.12 Where an Allocation Notice does not relate to all the Sale Shares, then subject to Article 10.13, the Seller may, at any time during the 20 Business Days following the date of service of the Allocation Notice transfer those Sale Shares which are not the subject of an Allocation Notice to any person at a price at least equal to the Transfer Price.
- 10.13 The Seller's right to transfer Shares under Article 10.12 does not apply if the Directors reasonably consider that:
- 10.13.1 the transferee is a person (or a nominee for a person) whom they determine to be a competitor (or a Member of the Same Group as a competitor) of the business of any Group Company;
 - 10.13.2 the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
 - 10.13.3 the Seller has failed or refused to promptly provide information available to him and reasonably requested to enable it to form the opinion referred to in Article 10.13.1.

11. COMPULSORY TRANSFERS

- 11.1 On the death or bankruptcy of any holder of Shares (or equivalent procedure in any jurisdiction outside England and Wales), or, in the case of a Shareholder which is a body corporate, either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets or suffers or takes any equivalent action in any jurisdiction outside England and Wales, a Transfer Notice shall be deemed to have been given immediately in respect of the Relevant Shares and the provisions of Article 10 shall apply accordingly.
- 11.2 If any Shareholder (a "**Defaulting Shareholder**") materially breaches either these Articles or any shareholders' agreement in relation to the Company which is binding on him/it, the Company shall be entitled to give written notice to the Defaulting Shareholder, notifying him/her of the nature of the breach (a "**Material Breach Notice**"), and stating in the Material Breach Notice that the Defaulting Shareholder has 14 days to rectify the breach (the "**Material Breach Deadline**") commencing from the date of the Material Breach Notice.
- 11.3 If the Defaulting Shareholder fails to remedy the breach which is the subject of a Material Breach Notice to the satisfaction of the Company prior to the Material Breach Deadline, that Defaulting Shareholder shall be deemed to have given a Transfer Notice in respect of all Shares held by it and the provisions of Article 10 shall apply accordingly.
- 11.4 If an Employee becomes a Departing Employee a Transfer Notice shall, unless the Directors otherwise direct in writing in respect of all or any particular Relevant Shares prior to or within 10 Business Days after the relevant Termination Date, be deemed to have been served on the relevant Termination Date in respect of all the Employee's Relevant Shares and any Transfer Notice served in respect of all or any of such Relevant Shares before the date such Employee becomes a Departing Employee shall automatically lapse. Notwithstanding any other provisions of these Articles, the Transfer Price in respect of a Departing Employee shall, where the Departing Employee is:
- 11.4.1 a Bad Leaver, be restricted to a maximum of the lower of the nominal value and the Fair Value of such Relevant Shares; and
 - 11.4.2 a Good Leaver, be the aggregate Fair Value of such Relevant Shares.
- 11.5 The provisions of Article 10 shall apply to any Transfer Notice deemed served pursuant to this Article 11, save that for the purposes of Article 10.2, the Seller shall be the Shareholder who is

deemed to have served a Transfer Notice, the number of Sale Shares shall be the Relevant Shares and the Proposed Sale Price and the Transfer Price in respect of the Sale Shares shall be the aggregate Fair Value of such Sale Shares, save where Article 11.5.1 applies.

11.6 Forthwith upon a Transfer Notice being deemed to be served under this Article 11 the Shares the subject of such deemed Transfer Notice shall cease to confer on the holder of them any rights:

11.6.1 to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;

11.6.2 to receive dividends or other distributions otherwise attaching to those Shares; or

11.6.3 to participate in any future issue of Shares issued in respect of those Shares.

11.7 The Directors:

11.7.1 reserve the right to deem a Bad Leaver as a Good Leaver; and

11.7.2 may reinstate the rights referred to in Article 11.5 at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to this Article 11 on completion of such transfer.

11.8 This clause 11 shall not apply to Shares held by Seedrs Nominees Limited.

12. VALUATION

12.1 The transfer price for each Sale Share the subject of a Transfer Notice shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Directors (any Director with whom the Seller is connected not voting), and the Seller or, in default of agreement within 10 Business Days of the date of service of the Transfer Notice, the Fair Value of each Sale Share (the "**Transfer Price**").

12.2 The Fair Value shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions:

12.2.1 valuing the Sale Shares on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served);

12.2.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;

12.2.3 that the Sale Shares are capable of being transferred without restriction;

12.2.4 valuing the Sale Shares as a proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and

12.2.5 reflecting any other factors which the Independent Expert reasonably believes should be taken into account.

12.3 If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit.

12.4 The Directors will give the Independent Expert access to all accounting records or other relevant documents of the Group, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose.

- 12.5 The parties are entitled to make submissions to the Independent Expert and shall provide (or procure that others provide) the Independent Expert with such assistance and documents as the Independent Expert may reasonably require for the purpose of reaching a decision.
- 12.6 The Independent Expert shall act as expert and not as arbitrator and its determination shall be final and binding (in the absence of fraud or manifest error).
- 12.7 The Independent Expert shall be requested to determine the Fair Value within 20 Business Days of its appointment and to deliver a copy of the determination to the Company. Promptly upon receipt, the Company shall deliver a copy of the determination to the Seller.
- 12.8 The cost of obtaining the Independent Expert's determination shall be borne by the Company and the Seller equally, or in such other proportions as the Independent Expert directs.

13. TAG ALONG

- 13.1 After first giving a Transfer Notice to the other Shareholders (the **"Continuing Shareholders"**) and going through the procedure set out in Article 10, the provisions of Article 13.2 to Article 13.6 (inclusive) shall apply if any Shareholder (the **"Tag Along Seller"**) proposes to transfer any Shares to any person (other than a person who holds a Controlling Interest in the Company at that time) (the **"Proposed Transfer"**) and such transfer would, if carried out, result in such person (the **"Tag Along Buyer"**) acquiring a Controlling Interest in the Company.
- 13.2 Before making a Proposed Transfer, the Tag Along Seller shall procure that the Tag Along Buyer makes an offer (the **"Tag Along Offer"**) to the Continuing Shareholders in respect of all the Shares held by them for a consideration in cash per Share that is at least equal to the highest price per Share offered by the Tag Along Buyer in the Proposed Transfer or in any related transactions in the 6 months preceding the Tag Along Offer (the **"Specified Price"**).
- 13.3 The Tag Along Offer shall be made by written notice (the **"Offer Notice"**), at least 20 Business Days before the proposed transfer date (the **"Transfer Date"**). To the extent not described in any accompanying documents, the Offer Notice shall set out:
- 13.3.1 the identity of the Tag Along Buyer;
 - 13.3.2 the Specified Price and other terms and conditions of payment;
 - 13.3.3 the Transfer Date; and
 - 13.3.4 the number of Shares proposed to be purchased by the Tag Along Buyer (the **"Offer Shares"**).
- 13.4 If the Tag Along Buyer fails to make the Tag Along Offer in accordance with Article 13.2 and Article 13.3, the Tag Along Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer.
- 13.5 If the Tag Along Offer is accepted by any of the Continuing Shareholders in writing within 20 Business Days of receipt of the Offer Notice, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by such Continuing Shareholders, with the Continuing Shareholders receiving the Specified Price for the sale of their Offer Shares.
- 13.6 The Proposed Transfer is subject to the provisions of Article 10, but the purchase of the Offer Shares shall not be subject to those provisions.
- ### **14. DRAG ALONG**
- 14.1 After first giving a Transfer Notice to the Continuing Shareholders and going through the procedure set out in Article 10, if the holder(s) of at least 55% in nominal value of the Shares

for the time being wish to transfer all (but not some only) of their Shares (the "**Seller Shares**") to a bona fide purchaser on arm's length terms (the "**Proposed Buyer**"), the relevant Seller may require the other holder(s) of Shares (the "**Called Shareholder(s)**") to sell and transfer all of their Shares (the "**Called Shares**") to the Proposed Buyer (or as the Proposed Buyer directs) on the same or no worse terms and conditions as the Seller in accordance with the provisions of this article (the "**Drag Along Option**").

- 14.2 The Seller may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholder(s) (the "**Drag Along Notice**") at any time before the transfer of the Shares it owns to the Proposed Buyer. The Drag Along Notice shall specify:
- 14.2.1 that the Called Shareholder is required to transfer all of its Called Shares pursuant to this Article 14;
 - 14.2.2 the person to whom the Called Shares are to be transferred;
 - 14.2.3 the purchase price payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the highest price per Share offered by the Proposed Buyer for the Seller Shares or in any related transactions in the six months preceding the Drag Along Notice; and
 - 14.2.4 the proposed date of the transfer.
- 14.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Seller has not sold the Seller Shares to the Proposed Buyer within 20 Business Days of serving the Drag Along Notice. The Seller may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 14.4 Completion of the sale of the Called Shares shall take place on the Completion Date (the "**Completion Date**"). Completion Date means the date proposed for completion of the sale of the Seller Shares unless:
- 14.4.1 the Seller and the Called Shareholder(s) agree otherwise in which case the Completion Date shall be the date agreed in writing by them; or
 - 14.4.2 that date is less than 10 Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the tenth Business Day after service of the Drag Along Notice.
- 14.5 The proposed sale of the Seller Shares by the Seller to the Proposed Buyer is subject to the rights of pre-emption set out in Article 10, but the sale of the Called Shares by the Called Shareholder shall not be subject to those provisions.
- 14.6 On or before the Completion Date, the Called Shareholder(s) shall execute and deliver a stock transfer form for the Called Shares, together with the relevant share certificate(s) (or a suitable indemnity for any lost share certificate(s)) to the Company. On the Completion Date, the Company shall pay the Called Shareholder(s), on behalf of the Proposed Buyer, the amounts due pursuant to Article 14.2 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholder(s) in trust for the Called Shareholder(s) without any obligation to pay interest.
- 14.7 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholder(s) shall be entitled to the return of the stock transfer form and share certificate(s) (or suitable indemnity) for the relevant Called Shares and the Called Shareholder(s) shall have no further rights or obligations under this Article 14 in respect of its Shares.
- 14.8 If the Called Shareholder(s) do not, on or before the Completion Date, execute and deliver (in accordance with Article 14.6) transfer(s) in respect of all of the Called Shares held by it, the

Called Shareholder(s) shall be deemed to have irrevocably appointed any person nominated for the purpose by the Seller to be its agent to execute all necessary transfer(s) on its behalf, against receipt by the Company (on trust for such holder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as she/he may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this Article 14.8.

- 14.9 No Drag Along Notice shall require the Called Shareholder(s) to agree to any terms except those specifically set out in this Article 14.

DIVIDENDS

15. DIVIDENDS

- 15.1 The Directors may resolve to declare a dividend or an interim dividend. The profits of the Company available for distribution may be used to pay a dividend or an interim dividend of such amount as the Board may determine.
- 15.2 Each dividend or an interim dividend declared, subject to a later payment date being specified, shall automatically become a debt due from and immediately payable by the Company.
- 15.3 Each dividend or an interim dividend shall be deemed to accrue from day to day as well after as before the commencement of a winding-up and shall therefore be payable by a liquidator in respect of any period after such commencement in priority to other claims or rights of shareholders in respect of share capital.

DECISION MAKING BY SHAREHOLDERS

16. NOTICE OF GENERAL MEETINGS

Where the Company has given an electronic address in any notice of meeting, any document or information relating to proceedings at the meeting may be sent by Electronic Communication to that address, subject to any conditions or limitations specified in the relevant notice of meeting.

17. QUORUM FOR GENERAL MEETINGS

- 17.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be at least two Shareholders (or their appointed proxies).
- 17.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

18. CHAIRING GENERAL MEETINGS

The chairman of the Board shall chair general meetings. If the chairman is unable to attend any general meeting, the shareholder who appointed him/her (if any) shall be entitled to appoint another of its nominated Directors present at the meeting to act as chairman at the meeting. The appointment of the chairman of the meeting must be the first business of the meeting. If the chairman of the Board was not appointed by a Shareholder, the Shareholders attending any general meeting shall be entitled to appoint any Director present at the meeting to act as chairman at the meeting.

19. PARTICIPATION IN GENERAL MEETINGS

- 19.1 Shareholders participate in a general meeting, or part of a general meeting, when;
- (a) the meeting has been called and takes place in accordance with the Articles, and

- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

19.2 In determining whether Shareholders are participating in a general meeting, it is irrelevant where any Shareholder is or how they communicate with each other.

19.3 If all the Shareholders participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

20. POLL VOTES

20.1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.

20.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

21. PROXIES

21.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate".

21.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that article.

ADMINISTRATIVE ARRANGEMENTS

22. MEANS OF COMMUNICATION TO BE USED

22.1 Any documents or information to be sent or supplied by or to the Company may be sent or supplied in hard copy form, by Electronic Communication, or by means of a website to the extent permitted by the Act and these Articles.

22.2 Subject to Article 22.3, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

22.2.1 if delivered by hand, on signature of a delivery receipt; or

22.2.2 if sent by fax, at the time of transmission; or

22.2.3 if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or

22.2.4 if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting; or

22.2.5 if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt; or

22.2.6 if sent or supplied in electronic form, one hour after the notice, document or information was sent or supplied; or

- 22.2.7 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website; and
- 22.2.8 if deemed receipt under the previous paragraphs of this Article 22.2 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 on the day when business next starts in the place of deemed receipt. For the purposes of this article, all references to time are to local time in the place of deemed receipt.
- 22.3 To prove service, it is sufficient to prove that:
- 22.3.1 if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
- 22.3.2 if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
- 22.3.3 if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or
- 22.3.4 if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.
- 22.4 In proving that any notice, document or information was properly addressed, it will suffice to show that the notice, document or information was addressed to an address permitted for the purpose by the Act.

23. INDEMNITY AND INSURANCE

- 23.1 Subject to Article 23.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:
- 23.1.1 each relevant officer of the Company shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him/her as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including (in each case) any liability incurred by him/her in defending any civil or criminal proceedings, in which judgment is given in his favour or in which she/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/her, 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 affairs; and
- 23.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him/her in connection with any proceedings or application referred to in Article 23.1.1 and otherwise may take action to enable any such relevant officer to avoid incurring such expenditure.
- 23.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.
- 23.3 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.
- 23.4 In this article:
- 23.4.1 a "relevant officer " means any Director or other officer or former Director or other officer of the Company but excluding in each case any person engaged by the

Company as auditor (whether or not she/he is also a Director or other officer), to the extent she/he acts in his capacity as auditor; and

- 23.4.2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company or any pension fund or employees' share scheme of the Company.

MODEL ARTICLES FOR PRIVATE COMPANIES LIMITED BY SHARES

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PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

1. In the articles, unless the context requires otherwise—

“articles” means the company’s articles of association;

“bankruptcy” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

“chairman” has the meaning given in article 12;

“chairman of the meeting” has the meaning given in article 39;

“Companies Acts” means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

“director” means a director of the company, and includes any person occupying the position of director, by whatever name called;

“distribution recipient” has the meaning given in article 31;

“document” includes, unless otherwise specified, any document sent or supplied in electronic form;

“electronic form” has the meaning given in section 1168 of the Companies Act 2006;

“fully paid” in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;

“hard copy form” has the meaning given in section 1168 of the Companies Act 2006;

“holder” in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

“instrument” means a document in hard copy form;

“ordinary resolution” has the meaning given in section 282 of the Companies Act 2006;

“paid” means paid or credited as paid;

“participate”, in relation to a directors’ meeting, has the meaning given in article 10;

“proxy notice” has the meaning given in article 45;

“shareholder” means a person who is the holder of a share;

“shares” means shares in the company;

"special resolution" has the meaning given in section 283 of the Companies Act 2006;

"subsidiary" has the meaning given in section 1159 of the Companies Act 2006;

"transmittee" means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and

"writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

Liability of members

2. The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

Directors' general authority

3. Subject to the articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company.

Shareholders' reserve power

- 4.—(1) The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.

(2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

Directors may delegate

- 5.—(1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles—

- (a) to such person or committee;
- (b) by such means (including by power of attorney);

- (c) to such an extent;
- (d) in relation to such matters or territories; and
- (e) on such terms and conditions;

as they think fit.

- (2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- (3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

Committees

6.—(1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.

- (2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

Directors to take decisions collectively

7.—(1) The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.

(2) If—

- (a) the company only has one director, and
- (b) no provision of the articles requires it to have more than one director,

the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

Unanimous decisions

8.—(1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.

(2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.

(3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.

(4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

Calling a directors' meeting

9.—(1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

(2) Notice of any directors' meeting must indicate—

(a) its proposed date and time;

(b) where it is to take place; and

(c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

(3) Notice of a directors' meeting must be given to each director, but need not be in writing.

(4) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

Participation in directors' meetings

10.—(1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when—

(a) the meeting has been called and takes place in accordance with the articles, and

(b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

(2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

(3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

Quorum for directors' meetings

11.—(1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

(2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.

(3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—

- (a) to appoint further directors, or
- (b) to call a general meeting so as to enable the shareholders to appoint further directors.

Chairing of directors' meetings

- 12.—**(1) The directors may appoint a director to chair their meetings.
- (2) The person so appointed for the time being is known as the chairman.
- (3) The directors may terminate the chairman's appointment at any time.
- (4) If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

Casting vote

- 13.—**(1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.
- (2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

Conflicts of interest

- 14.—**(1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- (2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.
- (3) This paragraph applies when—
- (a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;
 - (b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - (c) the director's conflict of interest arises from a permitted cause.
- (4) For the purposes of this article, the following are permitted causes—
- (a) 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 of its subsidiaries;
 - (b) subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and

(c) 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.

(5) For the purposes of this article, references to proposed decisions and decision-making

processes include any directors' meeting or part of a directors' meeting.

(6) Subject to paragraph (7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.

(7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

Records of decisions to be kept

15. 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.

Directors' discretion to make further rules

16. Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

APPOINTMENT OF DIRECTORS

Methods of appointing directors

17.—(1) Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director—

(a) by ordinary resolution, or

(b) by a decision of the directors.

(2) In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.

(3) For the purposes of paragraph (2), where 2 or more shareholders die in circumstances

rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

Termination of director's appointment

18. A person ceases to be a director as soon as—

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) *[paragraph omitted pursuant to The Mental Health (Discrimination) Act 2013]*
- (f) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

Directors' remuneration

19.—(1) Directors may undertake any services for the company that the directors decide.

(2) Directors are entitled to such remuneration as the directors determine—

- (a) for their services to the company as directors, and
- (b) for any other service which they undertake for the company.

(3) Subject to the articles, a director's remuneration may—

- (a) take any form, and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

(4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.

(5) Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

Directors' expenses

20. The company may pay any reasonable expenses which the directors properly incur in

connection with their attendance at—

- (a) meetings of directors or committees of directors,
- (b) general meetings, or
- (c) separate meetings of the holders of any class of shares or of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

PART 3

SHARES AND DISTRIBUTIONS

SHARES

All shares to be fully paid up

21.—(1) No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.

(2) This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

Powers to issue different classes of share

22.—(1) Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.

(2) The company may 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.

Company not bound by less than absolute interests

23. Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the articles, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

Share certificates

24.—(1) The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.

(2) Every certificate must specify—

- (a) in respect of how many shares, of what class, it is issued;
- (b) the nominal value of those shares;
- (c) that the shares are fully paid; and
- (d) any distinguishing numbers assigned to them.

(3) No certificate may be issued in respect of shares of more than one class.

(4) If more than one person holds a share, only one certificate may be issued in respect of it.

(5) Certificates must—

- (a) have affixed to them the company's common seal, or
- (b) be otherwise executed in accordance with the Companies Acts.

Replacement share certificates

25.—(1) If a certificate issued in respect of a shareholder's shares is—

- (a) damaged or defaced, or
- (b) said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.

(2) A shareholder exercising the right to be issued with such a replacement certificate—

- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;
- (b) must return the certificate which is to be replaced to the company if it is damaged or defaced; and
- (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

Share transfers

26.—(1) Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.

(2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.

(3) The company may retain any instrument of transfer which is registered.

(4) The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

(5) 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.

Transmission of shares

27.—(1) If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.

(2) A transmittee who produces such evidence of entitlement to shares as the directors may properly require—

(a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and

(b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

(3) But transmittes do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

Exercise of transmittes' rights

28.—(1) Transmittes who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.

(2) If the transmittes wishes to have a share transferred to another person, the transmittes must execute an instrument of transfer in respect of it.

(3) Any transfer made or executed under this article is to be treated as if it were made or

executed by the person from whom the transmittes has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

Transmittes bound by prior notices

29. If a notice is given to a shareholder in respect of shares and a transmittes is entitled to those shares, the transmittes is bound by the notice if it was given to the shareholder before the transmittes's name has been entered in the register of members.

DIVIDENDS AND OTHER DISTRIBUTIONS

Procedure for declaring dividends

30.—(1) The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

(2) A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.

(3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

(4) Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.

(5) If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

(6) The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

(7) If the directors act in good faith, they do not incur any liability to the holders of shares

conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

Payment of dividends and other distributions

31.—(1) Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means—

(a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;

(b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;

(c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or

(d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

(2) In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable—

(a) the holder of the share; or

(b) if the share has two or more joint holders, whichever of them is named first in the register of members; or

(c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or

otherwise by operation of law, the transmittee.

No interest on distributions

32. The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by—

(a) the terms on which the share was issued, or

(b) the provisions of another agreement between the holder of that share and the company.

Unclaimed distributions

33.—(1) All dividends or other sums which are—

(a) payable in respect of shares, and

(b) unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the company until claimed.

(2) The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.

(3) If—

(a) twelve years have passed from the date on which a dividend or other sum became due for payment, and

(b) the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

Non-cash distributions

34.—(1) Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

(2) For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution—

(a) fixing the value of any assets;

(b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and

(c) vesting any assets in trustees.

Waiver of distributions

35. Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if—

(a) the share has more than one holder, or

(b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

CAPITALISATION OF PROFITS

Authority to capitalise and appropriation of capitalised sums

36.—(1) Subject to the articles, the directors may, if they are so authorised by an ordinary

resolution—

(a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and

(b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.

(2) Capitalised sums must be applied—

(a) on behalf of the persons entitled, and

(b) in the same proportions as a dividend would have been distributed to them.

(3) Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

(4) A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.

(5) Subject to the articles the directors may—

(a) apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another;

(b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and

(c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

Attendance and speaking at general meetings

37.—(1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

(2) A person is able to exercise the right to vote at a general meeting when—

(a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

(b) that person's vote can be taken into account in determining whether or not such

resolutions are passed at the same time as the votes of all the other persons attending the meeting.

(3) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

(4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

(5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

Quorum for general meetings

38. No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

Chairing general meetings

39.—(1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

(2) If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start—

(a) the directors present, or

(b) (if no directors are present), the meeting,

must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

(3) The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting".

Attendance and speaking by directors and non-shareholders

40.—(1) Directors may attend and speak at general meetings, whether or not they are shareholders.

(2) The chairman of the meeting may permit other persons who are not—

(a) shareholders of the company, or

(b) otherwise entitled to exercise the rights of shareholders in relation to general meetings,

to attend and speak at a general meeting.

Adjournment

41.—(1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

(2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if—

(a) the meeting consents to an adjournment, or

(b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

(3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

(4) When adjourning a general meeting, the chairman of the meeting must—

(a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and

(b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

(5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—

(a) to the same persons to whom notice of the company's general meetings is required to be given, and

(b) containing the same information which such notice is required to contain.

(6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

Voting: general

42. A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

Errors and disputes

43.—(1) No objection may be raised to the qualification of any person voting at a general

meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

(2) Any such objection must be referred to the chairman of the meeting, whose decision is final.

Poll votes

44.—(1) A poll on a resolution may be demanded—

- (a) in advance of the general meeting where it is to be put to the vote, or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

(2) A poll may be demanded by—

- (a) the chairman of the meeting;
- (b) the directors;
- (c) two or more persons having the right to vote on the resolution; or
- (d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.

(3) A demand for a poll may be withdrawn if—

- (a) the poll has not yet been taken, and
- (b) the chairman of the meeting consents to the withdrawal.

(4) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

Content of proxy notices

45.—(1) Proxies may only validly be appointed by a notice in writing (a "proxy notice")

which—

- (a) states the name and address of the shareholder appointing the proxy;
- (b) identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
- (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

(2) The company may require proxy notices to be delivered in a particular form, and may

specify different forms for different purposes.

(3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

(4) Unless a proxy notice indicates otherwise, it must be treated as—

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and

(b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

Delivery of proxy notices

46.—(1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.

(2) An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

(3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

(4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

Amendments to resolutions

47.—(1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—

(a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and

(b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

(2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—

(a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

(b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

(3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

PART 5

ADMINISTRATIVE ARRANGEMENTS

Means of communication to be used

48.—(1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.

(2) Subject to the articles, any notice or document to be sent or supplied to a director in

connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

(3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

Company seals

49.—(1) Any common seal may only be used by the authority of the directors.

(2) The directors may decide by what means and in what form any common seal is to be used.

(3) Unless otherwise decided by the directors, if the company has a common seal and it is

affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

(4) For the purposes of this article, an authorised person is—

(a) any director of the company;

(b) the company secretary (if any); or

(c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

No right to inspect accounts and other records

50. Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a shareholder.

Provision for employees on cessation of business

51. The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

DIRECTORS' INDEMNITY AND INSURANCE

Indemnity

52.—(1) Subject to paragraph (2), a relevant director of the company or an associated company may be indemnified out of the company's assets against—

(a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,

(b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),

(c) any other liability incurred by that director as an officer of the company or an associated company.

(2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

(3) In this article—

(a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

(b) a "relevant director" means any director or former director of the company or an associated company.

Insurance

53.—(1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.

(2) In this article—

(a) a "relevant director" means any director or former director of the company or an associated company,

(b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and

(c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.