

Company Number: 10997673

The Companies Act 2006

Company Limited by Shares

Articles of Association

of

DLI GROUP LTD

(the Company)

(Adopted by Special Resolution passed on 18 September 2018)



CONTENTS

CLAUSE

1.	Interpretation	1
2.	Unanimous decisions.....	3
3.	Calling a directors' meeting.....	3
4.	Quorum for directors' meetings.....	3
5.	Casting vote	3
6.	Transactions or other arrangements with the company.....	4
7.	Directors' conflicts of interest	4
8.	Records of decisions to be kept.....	6
9.	Number of directors	6
10.	Appointment of directors.....	6
11.	Appointment and removal of alternate directors.....	6
12.	Rights and responsibilities of alternate directors	7
13.	Termination of alternate directorship.....	8
14.	Secretary	8
15.	Limited liability of members.....	8
16.	Further issue of shares	8
17.	Share transfers – in general.....	9
18.	Pre-emption rights on the transfer of Shares.....	10
19.	Fair Value	13
20.	Purchase of own shares	14
21.	Dividends and other distributions	15
22.	Poll votes	15
23.	Proxies	16
24.	Means of communication to be used	16
25.	Indemnity.....	17
26.	Insurance.....	18

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

DLI GROUP LTD

(Adopted by Special Resolution passed on 18 September 2018.)

INTRODUCTION

1. INTERPRETATION

1.1 In these Articles, unless the context otherwise requires:

Act: means the Companies Act 2006;

appointor: has the meaning given in article 11.1;

Articles: means the Company's articles of association for the time being in force;

business day: means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

Conflict: has the meaning given in article 7.1;

eligible director: means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter);

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.

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

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- 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 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
- (a) any subordinate legislation from time to time made under it; and
 - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.6 Any phrase introduced by the terms **Including, Include, In particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles.
- 1.8 Articles 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 52 and 53 of the Model Articles shall not apply to the Company.
- 1.9 Article 7 of the Model Articles shall be amended by:
- (a) the insertion of the words *"for the time being"* at the end of article 7(2)(a); and
 - (b) the insertion in article 7(2) of the words *"(for so long as he remains the sole director)"* after the words *"and the director may"*.
- 1.10 Article 20 of the Model Articles shall be amended by the insertion of the words *"(including alternate directors) and the secretary"* before the words *"properly incur"*.
- 1.11 In article 25(2)(c) of the Model Articles, the words *"evidence, indemnity and the payment of a reasonable fee"* shall be deleted and replaced with the words *"evidence and indemnity and the payment of reasonable expenses incurred by the company"*.
- 1.12 Article 27(3) of the Model Articles shall be amended by the insertion of the words *", subject to article 10,"* after the word *"But"*.
- 1.13 Article 29 of the Model Articles shall be amended by the insertion of the words *", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2),"* after the words *"the transmittee's name"*.

- 1.14 Articles 31(1)(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "*either*" and "*or as the directors may otherwise decide*".

DIRECTORS

2. UNANIMOUS DECISIONS

- 2.1 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.
- 2.2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing.
- 2.3 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.

3. CALLING A DIRECTORS' MEETING

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

4. QUORUM FOR DIRECTORS' MEETINGS

- 4.1 Subject to articles 4.2 and 4.3, the quorum for the transaction of business at a meeting of directors is any two eligible directors.
- 4.2 For the purposes of any meeting (or part of a meeting) held pursuant to article 7 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.
- 4.3 If the total number of directors in office for the time being is less than the number fixed as a quorum the continuing directors or sole director may nevertheless act for all purposes and shall have authority to exercise all of the powers and discretions conferred by the Model Articles and by these Articles expressed to be vested in the directors generally.

5. CASTING VOTE

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

6. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the Company is otherwise (directly or indirectly) interested;
- (b) shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested;
- (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested;
- (d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- (e) 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
- (f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

7. DIRECTORS' CONFLICTS OF INTEREST

7.1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).

7.2 Any authorisation under this article 7 will be effective only if:

- (a) to the extent permitted by the Act, 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 or in such other manner as the directors may determine;

- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested director; and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested director's vote had not been counted.

7.3 Any authorisation of a Conflict under this article 7 may (whether at the time of giving the authorisation or subsequently):

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
- (b) 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;
- (c) provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
- (e) 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, 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
- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.

7.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.

7.5 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.

7.6 In authorising a Conflict, the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to a person other than the Company, the director is under no obligation to:

- (a) disclose such information to the directors or to any director or other officer or employee of the Company; or
- (b) use or apply any such information in performing his duties as a director,

where to do so would amount a breach of that duty of confidence.

7.7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

8. RECORDS OF DECISIONS TO BE KEPT

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

9. NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than one.

10. APPOINTMENT OF DIRECTORS

In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

11. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

11.1 Any director (an **appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:

- (a) exercise that director's powers; and
- (b) carry out that director's responsibilities,

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

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

11.3 The notice must:

- (a) identify the proposed alternate; and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

12. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

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

12.2 Except as the Articles specify otherwise, alternate directors:

- (a) are deemed for all purposes to be directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their appointors; and
- (d) are not deemed to be agents of or for their appointors

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

12.3 A person who is an alternate director but not a director:

- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
- (b) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate); and
- (c) shall not be counted as more than one director for the purposes of articles 12.3(a) and 12.3(b).

- 12.4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision).
- 12.5 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

13. TERMINATION OF ALTERNATE DIRECTORSHIP

An alternate director's appointment as an alternate terminates:

- (a) when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;
- (c) on the death of the alternate's appointor; or
- (d) when the alternate's appointor's appointment as a director terminates.

14. SECRETARY

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

SHARES

15. LIMITED LIABILITY OF MEMBERS

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

16. FURTHER ISSUE OF SHARES

- 16.1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.
- 16.2 If the Company proposes to allot any shares or other securities convertible into, or carrying the right to subscribe for shares other than the grant of

options under an employee share scheme or the issue of shares on the exercise of any such options (**relevant securities**), those relevant securities shall not be allotted to any person unless the Company has first offered them to the holders (on the date of the offer) of all the shares in the Company (each an **offeree** and together the **offerees**) on a *pari passu* basis (as if they constituted shares of the same class) 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 relevant securities are being, or are to be, offered to any other person.

16.3 An offer made under article 16.2 shall:

- (a) be in writing and give details of the number, class and subscription price (including any share premium) of the relevant securities being offered;
- (b) remain open for a period of 10 business days from the date of service of the offer; and
- (c) stipulate that any offeree who wishes to subscribe for a number of relevant securities in excess of the number to which he is entitled under article 16.2 shall, in his acceptance, state the number of excess relevant securities (the **excess securities**) for which he wishes to subscribe.

16.4 If, on the expiry of an offer made in accordance with article 16.2, the total number of relevant securities applied for is less than the total number of relevant securities so offered, the directors shall allot the relevant securities to the offerees in accordance with their applications, subject to a maximum of each offeree's proportionate entitlement.

16.5 Any relevant securities not accepted by offerees pursuant to an offer made in accordance with article 16.2 shall be used to satisfy any requests for excess securities made pursuant to article 16.3(c). If there are insufficient excess securities to satisfy such requests, the excess securities 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 (as nearly as possible without involving fractions or increasing the number of excess securities allotted to any shareholder beyond that applied for by him). After those allotments, any excess securities 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.

17. SHARE TRANSFERS – IN GENERAL

17.1 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.

- 17.2 No party shall transfer, grant any security interest over, or otherwise dispose of or give any person any rights in or over any share or interest in any share in the Company unless it is permitted or required under these Articles and carried out in accordance with the terms of these Articles.
- 17.3 To enable the directors to determine whether or not there has been a disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) 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 such directors within ten (10) business days of their request, such directors may serve a notice on the shareholder stating that the shareholder shall not in relation to all shares held by that shareholder 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.
- 17.4 The directors must register any duly stamped or certified exempt transfer made in accordance with these Articles and shall not have any discretion to register any transfer of shares which has not been made in compliance with these Articles.

18. PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

- 18.1 A shareholder (the **Seller**) wishing to transfer any ordinary shares must give a notice in writing (a **Transfer Notice**) to the Company giving details of the proposed transfer, including:
- (a) the number of shares he wishes to transfer (the **Sale Shares**);
 - (b) if he wishes to sell the Sale Shares to a third party, the name of the proposed buyer (the **Buyer**); and
 - (c) the price per Sale Share (in cash) at which he wishes to sell the Sale Shares (the **Proposed Sale Price**).
- 18.2 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of this article 18.
- 18.3 Once given, a Transfer Notice may only be withdrawn by the Seller 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. In

such case, the Seller may, within ten (10) business days of receipt of notification of the Fair Value, withdraw the Transfer Notice.

- 18.4 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 Seller and the board of directors (any director with whom the Seller is connected not voting) or, in default of agreement within ten (10) business days of the date of service of the Transfer Notice, the Fair Value of each Sale Share determined in accordance with article 19.
- 18.5 As soon as practicable following the determination of the Transfer Price, the board of directors shall (unless the Transfer Notice is withdrawn in accordance with article 18.3) offer the Sale Shares for sale to the holders of the ordinary shares (the **Offerees**) inviting them to apply to the Company in writing within the period from the date of the offer to the date ten (10) business days after the offer (both dates inclusive) (the **Offer Period**) for the maximum number of Sale Shares they wish to buy. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.
- 18.6 If:
- (a) at the end of the Offer Period, the total number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the board of directors shall allocate the Sale Shares to each Offeree who has applied for Sale Shares in the proportion which his existing holding of ordinary shares bears to the total number of ordinary shares in issue (excluding those held by 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 among the Offerees shall be determined by the board of 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;
 - (b) not all Sale Shares are allocated following allocations in accordance with article 18.6(a), but there are applications for Sale Shares that have not been satisfied, the board of directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in article 18.6(a). The procedure set out in this article 18.6(b) shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and
 - (c) at the end of the Offer Period, the Company has not received applications in respect of all the Sale Shares, the board of directors

shall allocate the Sale Shares to the Offerees in accordance with their applications. The balance of the Sale Shares may be transferred to the buyer identified in the Transfer Notice (if any) in accordance with article 18.10.

- 18.7 The board of directors shall, when no further offers or allocations are required to be made under article 18.6, give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and to each holder of ordinary shares 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 five (5) Business Days, but not more than fifteen (15) business days, after the date of the Allocation Notice).
- 18.8 On the date specified for completion in the Allocation Notice the Seller shall, against payment from an Applicant, execute and deliver a transfer of the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice, together with the relevant share certificate(s) (or an indemnity in lieu thereof) and such other documents as the Applicants or the board of directors may reasonably require to show good title to the Sale Shares, or to enable each of them to be registered as the holder of the Sale Shares.
- 18.9 If the Seller fails to comply with article 18.8:
- (a) the chairman of the board of directors (or, failing him, any other director of the Company or some other person nominated by a resolution of the Company) may, as agent on behalf of the Seller:
 - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (ii) 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
 - (iii) (subject to the transfers being duly stamped) enter the Applicants in the register of shareholders as the holders of the Sale Shares purchased by them; and
 - (b) 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 Sale Shares or an indemnity, in a form reasonably satisfactory to the board of directors, in respect of any lost certificate, together, in either case, with such other evidence (if any) as the board of directors may reasonably require to prove good title to those Sale Shares, to the Company.

- 18.10 Where an Allocation Notice does not relate to all the Sale Shares, then the Seller may at any time during the twenty (20) business days following the date of service of the Allocation Notice, transfer the balance of the Sale Shares to the Buyer (if any) at a price per Share at least equal to the Transfer Price. The Seller shall not be permitted to transfer any such Sale Shares to a third party buyer if that buyer was not identified in the Transfer Notice.

19. FAIR VALUE

- 19.1 An **Expert** is a person appointed in accordance with this article to determine the Fair Value.
- 19.2 The Company and the Seller (the **parties**) shall endeavour to agree on the appointment of an independent Expert, and to agree the terms of appointment with the Expert.
- 19.3 If the parties are unable to agree on an Expert or the terms of his appointment within ten (10) business days of either party serving details of a suggested expert on the other, either party shall then be entitled to request the then President of the Institute of Chartered Accountants in England and Wales to appoint an Expert of repute with experience in the valuation of private companies limited by shares and agree the Expert's terms of appointment.
- 19.4 If the Expert dies or becomes unwilling or incapable of acting, or does not deliver the decision within the time required by this article then:
- (a) either party may apply to the then President of the President of the Institute of Chartered Accountants in England and Wales to discharge the Expert and to appoint a replacement Expert with the required expertise; and
 - (b) this article applies in relation to the new Expert as if he were the first Expert appointed.
- 19.5 The parties are entitled to make submissions to the Expert including oral submissions and shall provide (or procure that others including the Company provide) the Expert with such assistance and documents as the Expert reasonably requires for the purpose of reaching a decision, subject to the Expert agreeing to give such confidentiality undertakings as the parties may reasonably require.
- 19.6 To the extent not provided for by this article, the Expert may in its reasonable discretion determine such other procedures to assist with the conduct of the determination as it considers just or appropriate, including (to the extent he considers necessary,) instructing professional advisers to assist it in reaching its determination.

- 19.7 Each party shall with reasonable promptness supply (and procure that others including the Company supply) each other with all information and give each other access to all documentation and personnel as the other party reasonably requires to make a submission under this article.
- 19.8 The **Fair Value** for any Share shall be the price per share determined in writing by the Expert on the following bases and assumptions:
- (a) valuing each of the Sale Shares as a proportion of the total value of all the issued ordinary shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent or for the rights or restrictions applying to them;
 - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - (c) the sale is to be on arms' length terms between a willing seller and a willing buyer;
 - (d) the Sale Shares are sold free of all encumbrances;
 - (e) the sale is taking place on the date the Expert was requested to determine the Fair Value; and
 - (f) to take account of any other factors that the Expert reasonably believes should be taken into account.
- 19.9 The Expert shall act as an expert and not as an arbitrator. The Expert's written decision on the matters referred to him shall be final and binding on the parties in the absence of manifest error or fraud.
- 19.10 Each party shall bear its own costs in relation to the reference to the Expert. The Expert's fees and any costs properly incurred by him in arriving at his determination (including any fees and costs of any advisers appointed by the Expert) shall be borne by the parties equally or in such other proportions as the Expert shall direct.

20. PURCHASE OF OWN SHARES

- 20.1 Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:
- (a) £15,000; and
 - (b) the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.

21. DIVIDENDS AND OTHER DISTRIBUTIONS

21.1 Where a dividend or other sum 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 in writing; or
- (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 the holder of the share) or, in any other case, to an address specified by the distribution recipient in writing; or
- (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified in writing; or
- (d) any other means of payment as the directors agree with the distribution recipient in writing including, in the case of a non-cash distribution, transfer of specified assets in such manner as the directors agree with the distribution recipient in writing.

21.2 Subject to the terms of issue of the share in question, the Company may by ordinary resolution on the recommendation of the directors pay dividends by way of distribution of specific assets. For the purpose of such dividend, 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 distribution recipients; and
- (c) vesting any assets in trustees.

DECISION MAKING BY SHAREHOLDERS

22. POLL VOTES

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

22.2 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.

23. PROXIES

- 23.1 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 the general meeting (or adjourned meeting) to which they relate"*.
- 23.2 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, unless the directors, in their discretion, accept the notice at any time before the meeting"* as a new paragraph at the end of that article.

ADMINISTRATIVE ARRANGEMENTS

24. MEANS OF COMMUNICATION TO BE USED

- 24.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or 5 business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least 5 business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
 - (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
 - (c) if properly addressed and sent or supplied by electronic means, 1 hour after the document or information was sent or supplied; and
 - (d) 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.

For the purposes of this article, no account shall be taken of any part of a day that is not a working day.

- 24.2 In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act.

25. INDEMNITY

25.1 Subject to article 25.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

(a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:

(i) in the actual or purported execution and/or discharge of his duties, or in relation to them; and

(ii) in relation to the Company's (or any associated Company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

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

(b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 25.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

25.2 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.

25.3 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 officer** means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

26. INSURANCE

26.1 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

26.2 In this article:

- (a) a **relevant officer** means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor);
- (b) a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company 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.