

Company Number: 11501632

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTION

of

Underpinned LTD
(Company)

Circulated on 10/10/2018 (Circulation Date)

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the **Act**), the directors of the Company propose that the following resolution be passed as an ordinary resolution:

Ordinary Resolution

1. Subdivision of Share Capital

That in accordance with Section 618(3) of the Act, the Directors of the Company be and are hereby authorised to subdivide the 2 ordinary shares in the Company of £1.00 each into 884,994 ordinary shares of £0.000002259 each fully paid.

The ordinary shares of £0.000002259 each shall, in each case, having the rights and privileges and being subject to the restrictions contained in the Company's Articles of Association.

Special Resolution

2. New Articles of Association


That the articles of association appended to this resolution be and are hereby approved and adopted as the new articles of association of the Company in substitution for and to the exclusion of the existing articles of association.




AGREEMENT

The undersigned, being the persons entitled to vote on the above resolutions on the Circulation Date hereby irrevocably agree to the Resolutions above.

Please read the notes at the end of this document before signifying your agreement to the Resolution.


Signed by **Albert Clauson** on *10 October* 2018


Signed by **Christopher Williams** on *10 October* 2018

NOTES

1. If you agree to the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods:

By Hand. Deliver the signed copy to the Directors at Underpinned LTD, 145 City Road, Hoxton, London, England, EC1V 9NR.

Post. Return the signed copy by post the Directors at Underpinned LTD, 145 City Road, Hoxton, London, England, EC1V 9NR.

If you do not agree to the Resolutions, you do not need to do anything: you will not be deemed to agree if you fail to reply.

2. Once you have indicated your agreement to the Resolutions, you may not revoke your agreement.

3. Unless sufficient agreement has been received for the Resolutions to pass by the date falling 28 days after the circulation date, it will lapse. If you agree to the Resolutions, please indicate your agreement and notify us as soon as possible.

4. In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members.

5. If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

Company No. 11501632

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- of -

UNDERPINNED LTD

(the **Company**)

(as adopted by special resolution passed on *10 October* 2018)

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1. **Introduction and definitions**

1.1 These Articles shall constitute the articles of association of the Company and any other regulations contained in the Act regarding the articles of association are excluded and shall not apply to the Company.

1.2 In these Articles, unless the context otherwise requires, the following words and expressions shall have the following meanings:

"Act" means the Companies Act 2006, as amended from time to time;

"Accepting Shareholder" means as defined in Article 9.4 or Article 11.5 (as appropriate);

"Acting in Concert" has the meaning given to it in the City Code on Takeovers and Mergers;

"Approved Offer" means a bona fide offer made on an arms length basis which is in writing and served on either the Company or all Shareholders and which offers to purchase all of the Shares held by the Shareholders (including any Shares which may be allotted pursuant to the exercise or conversion of options, rights to subscribe for or securities convertible into Shares in existence at the date of such offer) which:

- (a) is stipulated to be open for acceptance for at least three weeks;
- (b) is on terms that the sale and purchase of all Shares in respect of which the offer is accepted will be completed on the same terms, for the same consideration and at the same time; and
- (c) makes provision for the payment of any preferred, but un-paid, dividends by the Company to its Shareholders;

"Articles" means the articles of association of the Company as altered or varied from time to time and **"Article"** means a provision of these Articles;

Available Profits means profits available for distribution pursuant to and in accordance with the requirements of part 23 of the Act;

"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;

"Board" means the board of Directors of the Company from time to time;

"Buyer" means as defined in Article 11.1;

"Chairman" means as defined in Article 3.10;

"Confidential Information" means all information (whether oral or recorded in any medium) relating to the Company's business, financial or other affairs (including future plans of the Company) which is treated by the Company as confidential (or is marked or is by its nature confidential);

"Director" means a director of the Company, and includes any person occupying the position of director, by whatever name called;

"distribution recipient" means as defined in Article 6.10.2;

"Drag Along Right" means as defined in Article 12.1;

"electronic address" bears the meaning set out in section 333(4) of the Act;

"electronic form" bears the meaning set out in section 1168 of the Act;

"electronic means" bears the meaning set out in section 1168 of the Act;

"Employee Share Scheme" means any share or share option plan, scheme, trust or similar arrangement established for the benefit of, or individual grant of options or issue of shares to, any one or more employees or directors of the Company and/or any subsidiaries of the Company from time to time and approved by the Board;

"employees" shall be deemed to include consultants and Directors and contracts of, commencement or cessation of, employment shall include contracts for, commencement or cessation of, consultancy or directorship;

"Family Relation" means the spouse, civil partner or widow or widower of a Shareholder for the time being, the parents and all lineal descendants of that Shareholder (including for this purpose any step-child, adopted child or illegitimate child of the Shareholder or his lineal descendants) or any person who for the time being is married to or is the civil partner of any such lineal descendant;

"Family Trust" means a trust (whether arising under a settlement, declaration or trust, testamentary disposition or on an intestacy) under which the only persons being (or capable of being) beneficiaries are the individual beneficial owner of the Shares held in trust and/or his Family Relations, and no power of control over the voting powers conferred by such Shares is exercisable at any time by or subject to the consent of any person other than the trustees as trustees or such individual beneficial owner or his Family Relations;

"Financial Year" has the meaning set out in section 390 of the Act;

"fully paid" means in relation to a Share, that the nominal value and any premium to be paid to the Company in respect of that Share has been paid to the Company;

"Group" means the Company and its subsidiaries;

"hard copy form" bears the meaning set out in section 1168 of the Act;

"Holding Company" bears the meaning set out in section 1159 and schedule 6 of the Act;

"Insolvency Event" a person shall be treated as having suffered or incurred an Insolvency Event for the purposes of these Articles if:

- (a) that person is an individual and is declared bankrupt;
- (b) that person is a corporation and either (i) an order is made or a resolution is passed for its liquidation or winding up; (ii) an administrator is appointed to manage its affairs, business or property or any notice of intention to appoint an administrator in respect of that person is given by that person, that person's directors or any qualifying floating charge holder (as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986) or any other

person or persons entitled to give such a notice; (iii) a receiver is appointed over any of its assets or undertaking or circumstances arise which entitle a court of competent jurisdiction or a creditor to appoint such a receiver; (iv) it takes any steps with a view to making any arrangement or composition with its creditors or makes any application to a competent court for the protection of its creditors in any way; or

- (c) any analogous steps to those referred to in paragraphs (a) and/or (b) of this definition are taken or situation arises in respect of that person under the laws of any jurisdiction;

"Instrument" means a document in hard copy form;

"Interested Director" means as defined in Article 17.1.1;

"Issue Price" means the price at which the relevant Share is issued, including any premium;

"Material Agreement" means a contract or arrangement in relation to the Company or to which the Company is a party or is bound by which has a value of or which imposes on the Company an annual expenditure of equal to or more than £50,000 (excluding any customer contracts).

"Member of the Same Group" means in respect of any Shareholder which is a corporation, any other corporation which is for the time being a direct or indirect parent or subsidiary company or undertaking of that Shareholder or a direct or indirect subsidiary company or undertaking of any such direct or indirect parent company or undertaking of such Shareholder;

"Offer" means as defined in Article 11.2;

"Offer Notice" means as defined in Article 6.4.4, Article 9.3 or 11.3 (as appropriate);

"Offer Period" means as defined in Article 6.4.2(c), Article 9.3 or 11.3 (as appropriate);

"Offer Shares" means as defined in Article 9.2 or 11.3 (as appropriate);

"Ordinary Resolution" bears the meaning set out in section 282 of the Act;

"Ordinary Shares" means the shares of £0.0000022599 each designated ordinary shares in issue by the Company from time to time;

"Original Transferor" means as defined in Article 10.1.1;

"Other Shareholders" means as defined in Article 12.1;

"paid" means credited as paid;

"Permitted Issue" means as defined in Article 6.4.12;

"Proposed Transfer" means as defined in Article 11.1;

"Proxy Notice" means an instrument appointing a proxy in accordance with Article 16.2;

"Relevant Investor" means as defined in Article 17.2.1(a);

"Rights" means as defined in Article 6.4.2(b);

"Sale Date" means as defined in Article 11.3;

"Seller" or **"Sellers"** means as defined in Article 9.1 or Article 11.1 (as appropriate);

"Shareholder" means any registered holder of a Share;

"Shareholder Director Interest" means as defined in Article 17.2.1(b);

"Shares" means the issued Ordinary Shares, and any other class of shares issued by the Company from time to time;

"Situational Conflict" means as defined in Article 17.1.1;

"Special Resolution" bears the meaning set out in section 283 of the Act;

"subsidiary" or **"subsidiary undertakings"** means any subsidiary (as defined in section 1159 of the Act) of the Company as may exist from time to time (and **"subsidiaries"** shall be construed accordingly);

"Transfer Notice" means as defined in Article 9.2;

"Transactional Conflict" means a direct or indirect conflict of interest of a Director which arises in relation to an existing or proposed transaction or arrangement with the Company;

"Transmittee" means a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law;

"written" means printing, typewriting, lithography, photography, and any other mode(s) or representing or reproducing words, symbols or other information (including email) in a legible and non-transitory form and any reference to **"writing"** shall be construed accordingly; and

"£" or **"pounds"** means pounds sterling in the lawful currency of the United Kingdom.

1.3 References in these Articles to a document or information being sent or supplied by or to a Company (including the Company) shall be construed in accordance with the provisions of section 1148(3) of the Act.

1.4 Subject to Article 1.2, and unless the context otherwise requires:

1.4.1 any other words and expressions contained in these Articles shall have the same meaning as in the Act;

1.4.2 use of the singular shall include the plural and vice versa, and the use of any gender shall include all other genders; and

1.4.3 includes or including shall mean including without limitation.

1.5 Unless expressly provided otherwise, references to any statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of any:

- 1.5.1 amendment, modification, consolidation, re-enactment or replacement; and
 - 1.5.2 any subordinate legislation from time to time made under it.
- 1.6 Headings are for convenience only and shall not affect the construction of these Articles.
- 2. **Directors**
- 2.1 The number of Directors shall not be less than one but there shall be no maximum number of Directors who may hold office at any time.
- 2.2 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 by Ordinary Resolution or by a resolution of the Directors.
- 2.3 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. 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.
- 2.4 A person ceases to be a Director as soon as:
 - 2.4.1 that person ceases to be a Director by virtue of any provision of the Act or is *prohibited from being a Director by law*;
 - 2.4.2 a bankruptcy order is made against that person;
 - 2.4.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
 - 2.4.4 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 3 months;
 - 2.4.5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
 - 2.4.6 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; or
 - 2.4.7 a resolution is passed at a duly convened and held meeting of the Directors to terminate that person's appointment as a Director (provided that no Director appointed by a Shareholder pursuant to Article 2.5 may be removed pursuant to this Article 2.4.7 at a time when the Shareholder concerned remains the holder of more than 10 per cent. of all Ordinary Shares then in issue).
- 2.5 If and so long as there is a sole Director, he may exercise all the powers of the Company and all powers and authorities vested in the Directors by these Articles.

- 2.6 Directors may undertake any services for the Company that the Directors decide.
- 2.7 Subject to these Articles, the Directors are entitled to such remuneration as the Directors determine:
- 2.7.1 for their services to the Company as Directors, and
 - 2.7.2 for any other service which they undertake for the Company.
- 2.8 Subject to the Articles, a Director's remuneration may:
- 2.8.1 take any form; and
 - 2.8.2 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.
- 2.9 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.
- 2.10 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.
- 2.11 The Company, if the Directors so decide, may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:
- 2.11.1 meetings of Directors or committees of Directors;
 - 2.11.2 general meetings; or
 - 2.11.3 separate meetings of the holders of any class of Shares or of any other interests in the Company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.
3. **Powers and proceedings of Directors**
- 3.1 A resolution in writing (whether in hard copy form or electronic form) signed by all the Directors shall be as effective for all purposes as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form, each signed by one or more of the Directors or to which such Director has otherwise indicated agreement in writing.
- 3.2 The Directors may by resolution exercise all the powers of the Company to make provision (in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company) for the benefit of persons employed or formerly employed by the Company.
- 3.3 A Director shall not be required to hold any Shares, but nevertheless shall be entitled to attend and speak at any general meeting of the Company.
- 3.4 Every Director of the Company shall, upon supplying the Company with an address (whether or not an electronic address) for the giving of notices, be entitled to receive notices of general meetings, provided always that non-receipt of any such notice by

any Director shall not invalidate the proceedings at the meeting convened by such notice.

- 3.5 A Director may at any time summon a meeting of the Directors by giving notice of the meeting to the Directors.
- 3.6 Save in the case of emergency or where a majority of the Directors agree to a shorter period of notice, at least 72 hours' notice of a meeting of the Directors shall be given either in hard copy form or electronic form to all Directors entitled to receive notice and the notice must include:
- 3.6.1 the meeting's proposed date and time;
 - 3.6.2 where the meeting is to take place;
 - 3.6.3 if the Directors will not be in the same place for the meeting, details of arrangements to allow them to communicate during the meeting;
 - 3.6.4 an agenda specifying in reasonable detail the matters to be raised at the meeting; and
 - 3.6.5 copies of any papers to be discussed at the meeting.
- 3.7 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting. 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 2, and unless otherwise fixed it is 2. If the total number of Directors for the time being is less than the quorum required, then Directors must not take any decision other than a decision to appoint further Directors, or to call a general meeting so as to enable the Shareholders to appoint further Directors.
- 3.8 If the quorum is not present within 30 minutes of the time specified for a meeting of the Directors in the notice of the meeting it shall be adjourned for 7 days unless all of the Directors agree in writing to hold the meeting sooner. At any such adjourned meeting any Director(s) present shall comprise a quorum.
- 3.9 The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit provided that all meetings of the Directors shall be held within the United Kingdom.
- 3.10 The Directors may appoint a chairman (the "**Chairman**"). The Directors may terminate the Chairman's appointment at any time. If the Chairman is not participating in a Directors' meeting within 10 minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it.
- 3.11 At any meeting of the Directors each Director present at the meeting shall be entitled to one vote on each resolution proposed.
- 3.12 In the case of an equality of votes cast in respect of any resolution proposed at any meeting of the Directors the Chairman of such meeting shall not be entitled to a second or casting vote.
- 3.13 Meetings of the Directors will make decisions by passing resolutions. A resolution is passed if more votes are cast for it than against it. If the Company only has one

Director, the Director may take decisions without regard to any of the provisions of the Articles relating to Directors' decision-making.

- 3.14 Subject to the provisions of the Act and the Articles, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the memorandum of association of the Company or the Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Directors by these Articles and a meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.
- 3.15 Any Director may validly participate in a meeting of the Board through the means of a communication device (including, without limitation, telephone, video conference and real time webcasting) provided that all other persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Subject to the Act, all business transacted in such manner by the Board or a committee of the Board shall for the purpose of these Articles be deemed to be validly and effectively transacted at a meeting of the Board or a committee of the Board notwithstanding that a quorum of Directors is not physically present in the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the Chairman of the meeting then is.
- 3.16 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.
- 3.17 If at any time any resolution is proposed to remove any Director (the "**Relevant Director**") from office pursuant to Article 2.4.6 then that resolution shall be considered at a meeting of the Directors at which the consideration of that resolution shall be the only business of the meeting. The Relevant Director shall be entitled to receive notice of any such meeting at which any resolution is proposed to remove him from office but shall not be entitled to attend, speak or vote at such meeting. If a Director is removed from office as a Director at any such meeting the Directors shall ensure that written notice of such removal is served upon that Director as soon as reasonably practicable after the meeting concerned (and in any event within one week after such meeting).

4. **Accounts and Financial Information**

The Company's accounts and financial information will be approved by the Board (and if applicable, audited) and delivered to the Shareholders:

- 4.1 in the case of the annual accounts of the Company, within 4 months of the end of the Financial Year to which they relate; and
- 4.2 in the case of the quarterly accounts (comprising a profit and loss account, a balance sheet and cash flow projections for the next 12 months) of the Company, within 20 days of the end of the relevant quarter; and
- 4.3 at the end of each quarter, a summary of all Material Agreements entered into by the Company with within 20 days of the end of the relevant quarter.

5. **Share Capital**

5.1 Except as otherwise provided in these Articles the Ordinary Shares shall rank pari passu in all respects.

5.2 The Company may at any time, subject to the Act and to these Articles, by Ordinary Resolution re-classify or convert any Share into a Share of a different class and the resolution may authorise the exercise of this power on more than one occasion, at a specified time or in specified circumstances.

6. **Shares and Dividends**

The Shares shall carry the rights and privileges set out in these Articles. 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.

6.1 *Voting*

Every Shareholder shall have the right to receive notice of and attend (either personally or by proxy) any general meeting of the Company or to vote (either personally or by proxy) on any resolution to be proposed at a general meeting or proposed as a written resolution of the Company. Both on a show of hands and on a poll every Shareholder who is present in person or by a representative or by proxy shall have one vote for every Share of which he is the holder.

6.2 *Income*

In respect of any Financial Year, subject to the provisions of the Act the Company's Available Profits each year any cash dividends or distributions that the Company (by Ordinary Resolution) and the Board (in their absolute discretion) may decide to declare from time to time in accordance with Article 6.9 shall be payable to the Shareholders on a pro-rata basis.

6.3 *Return of capital*

6.3.1 If, on a winding up of the Company or other return of capital (except to the extent the same arises as a result of any reorganisation or reconstruction, or on a redemption or purchase of Shares in accordance with the Act) there remains after the payment of all debts and liabilities of the Company, surplus assets for distribution amongst the Shareholders, such surplus assets shall be distributed to the Shareholders on a pro-rata basis.

6.3.2 For the purposes of Articles 6.2 and 6.3 the value of any dividend or return of capital shall be calculated prior to the effect or deduction of any tax in determining the value of any such dividend or distribution under Article 6.2 or 6.3.

6.4 *Further issues of Shares*

6.4.1 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.

6.4.2 For the purposes of section 551 of the Act, but subject to the provisions of these Articles, the Directors are generally and unconditionally authorised to exercise any powers of the Company to:

- (a) offer or allot Shares;
- (b) grant options or other rights to subscribe for or to convert any security into Shares (the "**Rights**"); and
- (c) otherwise deal in, or dispose of Shares or Rights,

up to a maximum of 315,000 Ordinary Shares, or any other denomination or class of share capital) with such rights or restrictions as they may determine and at any time or times during the period of five years from the date of adoption of these Articles. This authority may be renewed, varied or revoked from time to time by the Company in general meeting. The Directors may before this authority expires make an offer or agreement which would or might require Shares to be allotted after it expires and may allot Shares in pursuance of that offer or agreement.

6.4.3 Sections 561, 562 and 563 of the Act shall not apply to the Company.

6.4.4 Save in respect of a Permitted Issue (to which the provisions of this Article 6.4 shall not apply), if at any time it is proposed that the Company should issue any new Shares (the "**New Shares**") then the Company must first serve written notice (an "**Offer Notice**") on its existing Shareholders offering them the opportunity to purchase the New Shares at the same price and otherwise on the same terms upon which the Company is proposing to issue such New Shares to any person.

6.4.5 An Offer Notice:

- (a) must give details of the number, class and price of the New Shares;
- (b) must invite each Shareholder to confirm, by serving written notice on the Company (each an "**Issue Acceptance Notice**"), the maximum number of New Shares which they may wish to acquire, if available;
- (c) give a period (commencing on the date the Offer Notice is served and ending at least two weeks but no more than four weeks after the date on which the Offer Notice is served) (such period being the "**Offer Period**" in the remainder of this Article 6) within which Shareholders must accept the offer contained in the Offer Notice if they wish to do so by serving notice in accordance with Article 6.4.5(b).

6.4.6 In the event that the Directors wish to issue more than one class of Shares then the issue of each separate class shall be treated as a separate issue of Shares for the purposes of this Article 6.4 and a separate Offer Notice must be sent in respect of each such class which is proposed to be issued.

6.4.7 Any Shareholders who have not responded to the offer contained in the Offer Notice within the Offer Period will be deemed to have refused the offer.

- 6.4.8 If the Company shall within the Offer Period find Shareholders willing to purchase the New Shares or any of them (any such Shareholder who wishes to purchase any of the New Shares being referred to as a **"Subscriber"** in the remainder of this Article 6.4) and serves written notice of that fact on the Subscribers within one month of the end of the Offer Period (any such notice being an **"Issue Notice"**) then such Subscribers shall be bound to subscribe for the New Shares that they have agreed to acquire as notified to the Company in any notice served pursuant to Article 6.4.5 provided that:
- (a) if the existing Shareholders have during the Offer Period elected to purchase some but not all of the New Shares offered pursuant to the preceding provisions of this Article then the Board may resolve not to issue any of the New Shares so offered to existing Shareholders and in such circumstances: (i) any Issue Acceptance Notices served shall be treated as void ab initio and the Company shall not be obliged to issue any of the New Shares to any Subscribers; and (ii) the Board shall not be entitled to issue any of the New Shares to any third party pursuant to Article 6.4.10 unless it first offers such New Shares to the existing Shareholders by serving a new Offer Notice relating to such New Shares in accordance with the preceding provisions of this Article 6.4;
 - (b) in the event that there is any competition between Shareholders who wish to become Subscribers then the New Shares shall be allocated between them on a pro rata basis (as nearly as may be without involving fractions) according to their respective holdings of Shares at the relevant time.
- 6.4.9 The Company shall specify in any Issue Notice a time and place for completion of the subscription for the New Shares, being not fewer than 5 and not more than 15 Business Days after the date on which such Issue Notice is served. On completion of the subscription for the New Shares the Subscribers shall pay the Company by telegraphic transfer in same day available funds to such bank account as the Company may specify the amount payable for the New Shares.
- 6.4.10 If the Company shall not within the Offer Period find Subscribers willing to purchase all of the New Shares on the terms set out in the Offer Notice then it may, at any time during the period of 4 months falling immediately after the end of the Offer Period issue to any one or more persons approved by the Board any balance of New Shares for which the Company has not given notice pursuant to Article 6.4.8 that it has found Subscribers by way of a bona fide issue at a price per New Share not being less than the price at which the New Shares were offered to the Shareholders in the Offer Notice.
- 6.4.11 The Directors are generally and unconditionally authorised at any time after the date of adoption of these Articles (subject to them holding authority to allot at the relevant time pursuant to Article 6.4.2 and/or any resolution of the Shareholders) to:
- (a) allot and issue 150,000 New Shares without the need to first offer those Shares to Shareholders pursuant to the provisions of this Article 6.4 or otherwise; and

- (b) grant options to acquire New Shares (in each case of whatever class of Shares the Directors may decide) to any persons who are employees of the Company or any subsidiaries of the Company for the time being or the trustees of any Employee Share Scheme on such terms as they consider fit without the need to first offer those Shares to any existing Shareholders pursuant to the preceding provisions of this Article 6.4 or otherwise,

provided that the maximum aggregate number of Shares that may be allotted and issued (or in respect of which options which remain capable of being exercised may be granted) pursuant to Article 6.4.11(b) may not exceed 115,000 Shares.

- 6.4.12 The issue of any new Shares by the Directors pursuant to Article 6.4.11 (or following the exercise of any option to acquire Shares granted pursuant to Article 6.4.11) shall be referred to as a **"Permitted Issue"** in these Articles.

6.5 *Variation of rights*

- 6.5.1 The rights attached to Shares set out in this Article 6 and Article 9 may (whether or not the Company is being wound up) only be varied, modified, abrogated or cancelled with Special Resolution.
- 6.5.2 The rights attached to any class of Shares shall not be deemed to be varied by:
 - (a) the creation or issue of further Shares ranking in some or all respects *pari passu* with or in priority to those shares issued; or
 - (b) the purchase or redemption by the Company of any of its own Shares.

6.6 *Company not bound by less than absolute interests*

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.

6.7 *Share Certificates*

- 6.7.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.
- 6.7.2 Every certificate must specify:
 - (a) in respect of how many Shares and 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.
- 6.7.3 No certificate may be issued in respect of Shares of more than one class.

6.7.4 If more than one person holds a Share, only one certificate may be issued in respect of it.

6.7.5 Certificates must:

- (a) have affixed to them the Company's common seal; or
- (b) be otherwise executed in accordance with the Act.

6.8 *Replacement Share Certificates*

6.8.1 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.

6.8.2 A Shareholder exercising the right to be issued with such a replacement certificate:

- (a) may at any 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.

6.9 *Procedure for Declaring Dividends*

6.9.1 The Company may by Ordinary Resolution declare dividends, and the Directors may decide to pay interim dividends.

6.9.2 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.

6.9.3 No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights.

6.9.4 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.

6.9.5 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 arrears.

6.9.6 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.

- 6.9.7 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.

6.10 *Payment of dividends and other distributions*

- 6.10.1 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.

- 6.10.2 In the Articles, the "**distribution recipient**" means, in relation to a Share in respect of which a dividend or other sum is payable:

- (a) the holder of the Share;
- (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 Transmittree.

6.11 *No interest on distributions*

- 6.11.1 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.

6.12 *Unclaimed distributions*

- 6.12.1 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.

6.12.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

6.12.3 If:

- (a) 12 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.

6.13 *Non-cash distributions*

6.13.1 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).

6.13.2 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.

6.14 *Waiver of distributions*

6.14.1 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.

6.15 *Authority to capitalise and appropriation of capitalised sums*

6.15.1 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 (the "**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.

6.15.2 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.

6.15.3 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.

6.15.4 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.

6.15.5 Subject to the Articles the Directors may:

- (a) apply capitalised sums in accordance with Articles 6.15.3 and 6.15.4 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 6.15 (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 6.15.

7. Redemption and purchase of Shares

7.1 Subject to the provisions of the Act and to the rights of the Shareholders pursuant to these Articles, the Company may:

- 7.1.1 issue Shares which are to be redeemed or are liable to be redeemed at the option of the Company or the Shareholder concerned;
- 7.1.2 purchase its own Shares (including any redeemable Shares); and
- 7.1.3 make any payment in respect of such redemption or purchase in accordance with the provisions of the Act and the relevant power under Articles 7.1.1 or 7.1.2 above, of any of its own Shares out of the distributable profits of the Company or out of the proceeds of a fresh issue of Shares created for the purpose, or out of the capital of the Company.

8. Transfer of Shares

- 8.1 The transfer form relating to any Share shall be in a form approved by the Directors and shall be executed by or on behalf of the transferor, and the transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered in the register of Shareholders in respect of such Share. No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share. The Company may retain any instrument of transfer which is registered.
- 8.2 No Shareholder shall sell, transfer, assign, charge or otherwise dispose of (each of the foregoing being a "transfer" for the purposes of these Articles) any Share or any interest (including any legal or beneficial interest) in any Share except:
- 8.2.1 in accordance with Article 9;
 - 8.2.2 in accordance with Article 10;
 - 8.2.3 in accordance with Article 11; or
 - 8.2.4 in accordance with Article 12.
- 8.3 Any transfer of Shares made pursuant to, in accordance with or as required by the provisions of these Articles shall be made on the basis that it is a transfer of the full legal and beneficial title in and to the relevant Shares with full title guarantee and free from all charges or other encumbrances (and the transferor of any such Shares shall hereby be deemed to represent and warrant to the transferee of any such Shares that the transferor shall, at the time of completion of the transfer of the relevant Shares, be the sole legal and beneficial owner of such Shares free from all charges and other encumbrances).
- 8.4 For the purpose of ensuring that a transfer of Shares is duly authorised under these Articles, or that no circumstances have arisen whereby a Transfer Notice (as defined below) is required to be given or whereby the Board may require that a Transfer be given, the Board may from time to time require any Shareholder or the legal personal representatives of any deceased Shareholder or any person named as transferee in any transfer lodged for registration or any person whom they have reasonable grounds for believing to have information concerning dealings with or interests in Shares of the Company to furnish to the Company such information and evidence as the Board may think fit regarding any matter which they may deem relevant to such purpose and may further require such information and evidence to be in the form of a statutory declaration. Failing any such information or evidence being furnished to the satisfaction of the Board within a reasonable time after such requirement being made, the Board shall be entitled (without prejudice to any other rights or remedies) to refuse to register any transfer in connection with which the information or evidence concerned has been requested.
- 8.5 In any case where under the provisions of these Articles the Board has made a request for a Transfer Notice to be given within a specified period of not less than one month such Transfer Notice shall be deemed to have been given at the expiration of such period.

9. Pre-emption procedure and Compulsory Transfers

Pre-emption procedure

- 9.1 Except as otherwise permitted by Article 10 (to which this Article 9 shall not apply), no Shares held by a Shareholder (the "**Seller**") may be transferred unless its Shares are first offered to each of the other Shareholders in accordance with this Article 9.
- 9.2 Before transferring any Shares the Seller shall give notice in writing (a "**Transfer Notice**") to the Company irrevocably appointing the Company as its agent for the sale of the Shares mentioned in the notice (the "**Offer Shares**") together with all rights in those Shares and specifying the price per share at which the Seller is prepared to sell the Offer Shares and whether the Seller would be willing to sell some only of the Offer Shares or whether it is a condition of the sale of the Offer Shares that all of them (and not some only) would have to be purchased (any such condition being a "**Total Sale Condition**"). A Transfer Notice shall be irrevocable once given to the Company.
- 9.3 Within two weeks of receiving the Transfer Notice the Company shall by notice in writing (the "**Offer Notice**") offer the Offer Shares (at the price specified in the Transfer Notice) to all Shareholders (other than the Shareholder to whose Shares the Offer Notice relates). The Offer Notice shall invite each of the other Shareholders to state in writing to the Company within four weeks after the date of the offer (the "**Offer Period**") the maximum number of Offer Shares which they would wish to purchase, if available.
- 9.4 If a Shareholder (an "**Accepting Shareholder**") wishes to accept the offer contained in any Offer Notice and purchase any of the Offer Shares he shall give written notice to the Company before the end of the Offer Period confirming the maximum number of Offer Shares which he would wish to purchase, if available.
- 9.5 If the Company shall during the Offer Period find Accepting Shareholders willing to purchase the Offer Shares or any of them and gives notice in writing (the "**Purchase Notice**") of such fact to the Seller within one week of the end of the Offer Period then the Seller shall be bound, upon payment to him of the price per Shares specified in the Transfer Notice, to transfer such Offer Shares to the respective Accepting Shareholder(s) provided that, if the Transfer Notice shall include a Total Sale Condition, this provision shall not apply unless the Company shall have found Accepting Shareholders willing to purchase all of the Offer Shares. A Purchase Notice shall state the name and address of each Accepting Shareholder and the number of Offer Shares agreed to be purchased by them. In the event that there is any competition between Accepting Shareholders for any Offer Shares then those Offer Shares shall be allocated between them on a pro rata basis (as nearly as may be without involving fractions) according to their respective holdings of Shares at the relevant time.
- 9.6 The Company shall specify in any Purchase Notice a time and place for completion of the sale and purchase of the relevant Offer Shares ("**Offer Share Completion**"), being not less than a week and not more than three weeks after the date on which such Purchase Notice is served. On completion of the sale and purchase of the Offer Shares:
- 9.6.1 the Accepting Shareholder(s) shall pay the Seller by telegraphic transfer in same day available funds the amount(s) payable for the Offer Shares being acquired by them; and
- 9.6.2 the Seller shall deliver to the Accepting Shareholder(s) a transfer or transfers (as appropriate) in respect of the Offer Shares, duly executed in their favour by the Seller together with the certificate(s) for the Offer Shares

or an indemnity in lieu of the certificate(s) in a form satisfactory to the Directors.

- 9.7 The Directors shall also within one week of the end of the Offer Period notify the Accepting Shareholders of their allocation of Offer Shares and provide details of when Offer Share Completion shall take place.
- 9.8 If, the Company has not during the Offer Period been able to find Accepting Shareholders willing to purchase all of the Offer Shares then the Company shall inform the Seller of that fact within one week of the end of the Offer Period and the Seller may transfer all of the Offer Shares (where there are no Accepting Shareholders) or any balance of Offer Shares for which Accepting Shareholders have not been found (as appropriate) to a bona fide third party purchaser approved by the Directors (such consent not to be unreasonably withheld or delayed) at a price not less than the price stated in the Transfer Notice, provided that such transfer must be completed within eight weeks of the date of such notice from the Company provided that:
- 9.8.1 if the Transfer Notice included a Total Sale Condition then the Seller shall only be entitled to transfer all (and not some only) of the Offer Shares to the third party purchaser under this Article; and
- 9.8.2 the Directors may require to be satisfied that the Offer Shares are being transferred under this Article pursuant to a bona fide sale for a consideration per Share equal to or more than the price specified in the Transfer Notice without any deduction, rebate or allowance whatsoever to the third party purchaser and if not so satisfied the Board may refuse to register the instrument of transfer.
- 9.9 The provisions of this Article 9 shall not apply where the Company purchases or proposes to purchase any of its own Shares (including any redeemable Shares).

Compulsory transfer procedure

- 9.10 If at any time a Shareholder shall die or suffer or incur an Insolvency Event (any such Shareholder who may suffer or incur any such event being the "**Applicable Shareholder**" and any such event being a "**Transfer Event**") then the following provisions shall apply:
- 9.10.1 the Board shall be entitled at any time during the period of 12 months after the occurrence of the Transfer Event, by serving written notice on the Applicable Shareholder, require that such Applicable Shareholder (or where appropriate his personal representatives) give a Transfer Notice in respect of all of the Shares registered in the Applicable Shareholder's name at the relevant time (in which case the provisions of the preceding provisions of this Article 9 shall, save to the extent varied by this Article 9.10, apply);
- 9.10.2 if an Applicable Shareholder is obliged to give a Transfer Notice in accordance with the preceding provisions of this Article then:
- (a) the price per Share at which the Applicable Shareholder's Shares must be offered to the other Shareholders shall be a sum equal to the market value of a Share (the "**Market Value**") as at the date on which the Transfer Notice is required to be given;

- (b) the Transfer Notice shall not include a Total Sale Condition and the Applicable Shareholder may be obliged to sell some but not all of his Shares if purchasers cannot be found for all of them and shall not be entitled to refuse to transfer any relevant Shares for which purchasers have been found in these circumstances; and
- (c) the provisions of Article 9.7 shall not apply;

9.11 for the purposes of Article 9.10.2, the Market Value of a Share at any particular time shall be such sum as may be agreed between the Board and the Applicable Shareholder (or where appropriate his personal representatives) or, failing any such agreement within two weeks of the date on which the Board has requested that the Transfer Notice be served, as certified by an independent firm of chartered accountants with relevant expertise and experience (the "**Expert**") to be appointed by the Company, the identity of which shall be as agreed between the Board and the Applicable Shareholder or, in the absence of such agreement within one week after the date on which the Board calls for the Transfer Notice to be served, as nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales on the application of either the Board or the Applicable Shareholder (or where appropriate his personal representatives). If any Expert is appointed to determine the Market Value pursuant to this Article then:

- 9.11.1 in making its determination of such market value the Expert: (I) must assume that if the Company is then carrying on business as a going concern, that it will continue to do so; (II) must assume that the Shares concerned are being transferred on the basis of a sale between a willing buyer and a willing seller and that the Shares concerned are capable of being transferred without restriction; (III) must determine the market value of all issued Shares in the capital of the Company at the relevant time such that the Market Value shall be a proportion of the market value of all of the issued Shares which is equal to the proportion that the number of Shares concerned bears to the total aggregate number of all issued Shares in the capital of the Company at the relevant time (and no discount or premium may be applied to reflect the fact that the relevant Shares may represent either a minority or majority of the issued Shares); and (IV) may, subject to the factors referred to in the preceding provisions of this Article, take account of such other factors as the Expert may consider appropriate;
- 9.11.2 the Company shall use all reasonable endeavours to procure that the Expert serves written notice on the Company of the market value of the Shares concerned as soon as reasonably practicable after its appointment;
- 9.11.3 the costs of the Expert (which shall be such costs as may be agreed in writing with the Expert by both the Company and the Applicable Shareholder or if such agreement is not possible such fees and costs as the Expert may charge based on its standard rates) shall be borne as the Expert determines (or failing any such determination equally between the Applicable Shareholder and the Company); and
- 9.11.4 in determining the Market Value of pursuant to this Article, the Expert shall act as an expert and not as an arbitrator and its decision shall be final and binding on all relevant parties.

10. Permitted transfers

10.1 *Transfers to Family Relations and Family Trusts*

10.1.1 Any Shareholder (or the legal personal representatives of a deceased Shareholder) (the "**Original Transferor**") may at any time transfer all or some of the Shares held by him to a Family Relation or the trustees of his Family Trust.

10.1.2 The trustees of a Family Trust may, on change of trustees, transfer Shares held by them in their capacity as trustees to the new trustees of that Family Trust.

10.1.3 The trustees of a Family Trust may also transfer any of the Shares held by them in that capacity to a person who has an immediate beneficial interest under the Family Trust.

10.1.4 In the event of the death of any Shareholder who would otherwise have been entitled to take the benefit of this Article 10.1, his personal representative(s) shall be entitled to make any such transfers to any persons as would have been permitted by the deceased Shareholder. This Article 10.1.4 shall be subject to the provisions of Article 9.10.

10.1.5 Where Shares are held:

- (a) by a trustee or trustees of a Family Trust; or
- (b) by one or more Family Relations of the Original Transferor; and
- (c) any such person ceases (otherwise than on the death of the Original Transferor) to be:
 - (i) in the case of (a) above, a trustee of the Family Trust of the Original Transferor of the Shares; or
 - (ii) in the case of (b) above, a Family Relation of the Original Transferor,

such person will on or before the cessation transfer such Shares to a transferee that the Original Transferor would be permitted to transfer the Shares to under Article 10.1 had he remained the holder of the Shares or to the Original Transferor himself.

10.1.6 If a Shareholder fails or refuses to execute and deliver any transfer in respect of any Shares in accordance with Article 10.1.5, the Directors may (and shall if requested by the Original Transferor) authorise any Director or any other person to execute and deliver the necessary transfer(s) on the defaulting Shareholders behalf. The Directors shall authorise the registration of the transfer, and of the transferee as the holder of the Shares so transferred, once appropriate stamp duty (if any) has been paid. After registration, the title of the transferee as the registered holder of such Shares shall not be affected by any irregularity in or invalidity of such proceedings, which shall not be questioned by any Shareholder.

10.2 *Transfers to Beneficial Owners*

Where any Shareholder (the "**Legal Shareholder**") at any time holds any Shares on trust for another person who is beneficially entitled to those Shares (the "**Beneficial Owner**"), the Legal Shareholder may transfer its interest in those Shares to the Beneficial Owner.

10.3 *Employee Share Schemes*

10.3.1 A Shareholder which is an Employee Share Scheme (or a trustee thereof) may at any time transfer its interest in any Shares, and may require any person with whom it holds any Shares as joint owner to transfer that person's interest in the same Shares, to:

- (a) the new or remaining trustees of the relevant Employee Share Scheme upon any change of trustees; or
- (b) any beneficiary of the relevant Employee Share Scheme, pursuant to and subject at all time to the terms of such Employee Share Scheme.

10.3.2 Any Shareholder may at any time transfer any Shares held by it to:

- (a) the trustee(s) of any Employee Share Scheme if such transfer has been approved in advance by the Board; or
- (b) any person who is at the relevant time an employee or officer of any Group Company if such transfer has been requested by the trustee(s) of any Employee Share Scheme and such transfer has been approved in advance by the Board.

10.4 *Transfers to Group Companies*

10.4.1 A Shareholder which is a corporation may, subject to the remaining provisions of this Article 10.4, at any time transfer any or all of the Shares held by it to any other person who is at that time a Member of the same Group as that Shareholder.

10.4.2 If a Shareholder (the **Initial Corporate Shareholder**) transfers any Shares to a person who is a Member of the same Group as such Shareholder pursuant to Article 10.4.1 then if such Member of the same Group (or any other person to whom such Member of the same Group may have transferred the relevant Shares to pursuant to Article 10.4.1 (as appropriate) the **Related Corporate Transferee**) subsequently ceases to be a Member of the same Group as the Initial Corporate Shareholder then the Related Corporate Transferee must within one week of being required to do so by the Board transfer (without restriction as to price or otherwise) all of such Shares back to the Initial Corporate Shareholder or another person who is at that time a Member of the same Group as the Initial Corporate Shareholder.

10.4.3 If a Shareholder fails or refuses to execute and deliver any transfer in respect of any Shares in accordance with Article 10.4.2, then any Director shall hereby be authorised to execute and deliver (as the attorney or agent of the defaulting Shareholder) the necessary transfer(s) on the defaulting Shareholders behalf. The Directors shall authorise the registration of the transfer, and of the transferee as the holder of the Shares so transferred,

once appropriate stamp duty (if any) has been paid. After registration, the title of the transferee as the registered holder of such Shares shall not be affected by any irregularity in or invalidity of such proceedings, which shall not be questioned by any Shareholder.

11. **Tag along**

- 11.1 Except in the case of permitted transfers pursuant to Article 10 or transfers made in circumstances where the Drag Along Right is exercised pursuant to Article 12, and after going through the pre-emption procedure set out in Article 8, the provisions of this Article 11 shall apply if, in one or a series of related transactions, one or more Shareholders (the "**Sellers**") propose to transfer Shares which in aggregate represent a holding more than 50 per cent. of the total number of the Company's issued Shares at the relevant time (the "**Proposed Transfer**") to any person (the "**Buyer**") and/or any person Acting in Concert with the Buyer.
- 11.2 Before making a Proposed Transfer, a Seller shall procure that the Buyer makes an offer (the "**Offer**") to the other Shareholders to purchase all of the Shares held by such other Shareholders on the same terms and conditions (including without limitation as to the amount and form of any consideration, the conditionality and timing of the payment of any part of the consideration, any adjustment to the consideration that may take place as a consequence of any completion accounts or other mechanism and the extent of any warranties, indemnities, covenants or undertakings to be given) as are to apply to the sale by the Sellers to the Buyer pursuant to the Proposed Transfer (provided that the cash value of the consideration per Share payable must be at least equal to the highest price per Share offered or paid by the Buyer, or any person Acting in Concert with the Buyer, in the Proposed Transfer or in any related previous transaction in the 6 months preceding the date of the Proposed Transfer).
- 11.3 The Offer shall be given by written notice (the "**Offer Notice**"), at least four weeks before the proposed sale date (the "**Sale Date**" and the period between the date on which the Offer Notice is served and the Sale Date being the "**Offer Period**"). To the extent not described in any accompanying documents, the Offer Notice shall set out:
- 11.3.1 the identity of the Buyer;
 - 11.3.2 the purchase price and other terms and conditions which are to apply to the sale and purchase of the Shares;
 - 11.3.3 the Offer Period;
 - 11.3.4 the Sale Date; and
 - 11.3.5 the number of Shares proposed to be purchased by the Buyer from the Sellers (the "**Offer Shares**").
- 11.4 If the Buyer fails to make the Offer to all of the Shareholders in accordance with Articles 11.2 and 11.3, the 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.
- 11.5 If the Offer is accepted by any Shareholder (the "**Accepting Shareholder**") within the Offer Period, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Shares held by Accepting Shareholders on the

terms set out in the preceding provisions of this Article 11 and in order to give effect to any such sale and purchase:

11.5.1 any Accepting Shareholder shall deliver to the Company on or before the Sale Date:

- (a) stock transfer forms duly executed by them in favour of the Buyer in respect of the Shares held by them together with share certificates in respect of such Shares (or an indemnity in a form to be provided and approved by the Directors in respect of any missing or lost certificates);
- (b) if required by the Buyer, a duly executed sale and purchase agreement in a form to be approved by the Buyer and the Directors (each acting reasonably) which will reflect the terms on which the Shares are to be sold and purchased; and
- (c) duly executed versions of any other documents (including any necessary waivers, approvals or consents) as the Buyer and/or the Sellers may reasonably require to enable the Buyer to be registered as the holder of the Shares held by the Accepting Shareholder concerned;

11.5.2 the Buyer shall pay to the Company on or before the Sale Date an amount equal to any consideration payable to any Accepting Shareholders and which is intended to be paid on completion of the sale and purchase and the Company shall, upon the Sale Date (and subject only to completion of the sale and purchase of Shares by the Sellers to the Buyer pursuant to the Proposed Transfer) pay such amounts on to the relevant Accepting Shareholders on behalf of the Buyer. The Company's receipt of such consideration shall be a good discharge to the Buyer and pending payment on to the relevant Accepting Shareholders, the Company shall hold such consideration in a separate bank account on trust for the benefit of the relevant Accepting Shareholders without any obligation to pay interest; and

11.5.3 if the Buyer has not, on or before the Sale Date, put the Company in funds to pay the consideration due to the relevant Accepting Shareholders pursuant to Article 11.5.1(b) then without prejudice to the first sentence of this Article 11.5, the relevant Accepting Shareholders shall be entitled to the return of any stock transfer forms, indemnities and/or other documents executed by them pursuant to Article 11.5.1 and any relevant share certificates and the Accepting Shareholders shall have no further obligations under this Article 11 in respect of their Shares.

Any Proposed Transfer is subject to the pre-emption provisions of Article 9, but the purchase of Offer Shares from Accepting Shareholders shall not be subject to those provisions.

12. **Drag along**

12.1 Whenever an Approved Offer is made by any person (the "**Drag Buyer**") which Shareholders holding more than 50 per cent. of the Company's issued Shares wish to accept (any such Shareholders being the "**Drag Majority Shareholders**"), the Drag Majority Shareholders shall have the right (the "**Drag Along Right**") to require (in the manner set out in Article 12.2) all of the other holders of Shares (the "**Other**")

Shareholders") to accept the Approved Offer in full and transfer their Shares to the Drag Buyer with full title guarantee for a price per Share equal to the consideration to be paid to the Drag Majority Shareholders and otherwise on the same terms and conditions (including without limitation as to the form the consideration is satisfied in, the conditionality and timing of the payment of any part of the consideration, any adjustment to the consideration that may take place as a consequence of any completion accounts or other mechanism and, save as otherwise provided below, the extent of any warranties, indemnities, covenants or undertakings to be given) which are to apply to the sale and purchase of Shares by the Drag Majority Shareholders provided that, if so agreed by the Drag Buyer and the Drag Majority Shareholders, the Shares held by the Other Shareholders may be sold on more favourable terms than the terms which are to apply to the sale of Shares by the Drag Majority Shareholders.

12.2 The Drag Along Right may be exercised by the service of notice (a "**Drag Notice**") by any Drag Majority Shareholder at the same time as, or within one week following the making of the Approved Offer.

12.3 On the exercise of the Drag Along Right, each of the Other Shareholders shall be required to accept the Approved Offer in respect of their entire holdings of Shares and to comply with the obligations required by such acceptance as notified to them from time to time by any Drag Majority Shareholder. Without prejudice to the generality of the foregoing, if a Drag Notice is served in accordance with the provisions of Article 12.2 then in order to give effect to the transfer referred to in Article 12.1:

12.3.1 each Other Shareholder shall deliver to the Company on or before the date on which completion of the sale and purchase of Shares pursuant to the Approved Offer is to take place (as notified by any Drag Majority Shareholder, such date being the "**Completion Date**"):

- (a) stock transfer forms duly executed by them in favour of the Drag Buyer in respect of the Shares held by them together with share certificates in respect of such Shares (or an indemnity in a form to be provided and approved by the Directors in respect of any missing or lost certificates);
- (b) if required by the Drag Buyer, a duly executed sale and purchase agreement in a form to be provided and approved by the Drag Buyer and the Board (each acting reasonably) which will reflect the terms on which the Shares are to be sold and purchased (provided that no Other Shareholder shall be required (unless they otherwise elect or agree to do so) to give any warranties or indemnities to the Drag Buyer or any other person in relation to the transaction other than warranties that such Other Shareholder has (i) title to the Shares to be sold by him; and (ii) capacity to sell his Shares and enter into any agreements or transactions contemplated as part of such sale); and
- (c) duly executed versions of any other documents (including any necessary waivers, approvals or consents) as the Drag Buyer and/or the Drag Majority Shareholders may reasonably require to enable the Drag Buyer to be registered as the holder of the Shares held by the Other Shareholders;

- 12.3.2 the Drag Buyer shall pay to the Company on or before the Completion Date an amount equal to any consideration payable to the Other Shareholders in respect of their Shares and which is intended to be paid on completion of the sale and purchase and the Company shall, upon the Completion Date (and subject only to completion of the sale and purchase of Shares by the Drag Majority Shareholders to the Drag Buyer pursuant to the Approved Offer) pay such amounts on to the Other Shareholders on behalf of the Drag Buyer. The Company's receipt of such consideration shall be a good discharge to the Drag Buyer and pending payment on to the Other Shareholders, the Company shall hold such consideration on trust for the benefit of the Other Shareholders without any obligation to pay interest;
- 12.3.3 if the Drag Buyer has not, on or before the Completion Date, put the Company in funds to pay the consideration due to the Other Shareholders pursuant to Article 12.3.2 then the Other Shareholders shall be entitled to the return of any stock transfer forms, indemnities and/or other documents executed by them pursuant to Article 12.3.1 and any relevant share certificates and the Other Shareholders shall have no further obligations under this Article 12 in respect of their Shares in relation to the relevant Drag Notice;
- 12.3.4 If any of the Other Shareholders fail to accept the Approved Offer or, having accepted such offer, fail to complete the sale of any of their Shares pursuant to the Approved Offer, or otherwise fail to take any action required of them under the terms of the Approved Offer, any person nominated by the Directors (or any persons so authorised by the Directors) may accept the offer on behalf of the Other Shareholders in question, or undertake any action required under the terms of the Approved Offer on the part of the Other Shareholders in question. In particular, such person may execute the necessary transfers (or any other documents required to effect such transfers) on the Other Shareholders' behalf, and against:
- (a) receipt by the Company (on trust for such Other Shareholders) of the consideration payable for the relevant Shares (the receipt being a good discharge to the Buyer, who shall not be bound to see the application of it); and
 - (b) compliance by the Buyer and, where relevant, the Company with all other terms of the Approved Offer, deliver such transfers to the Buyer (or its nominee). The Directors will then authorise registration of the transfers and of the Buyer (or its nominee) as the holder of the Shares so transferred. After registration, the title of the Buyer (or its nominee) as registered holder of such Shares shall not be affected by any irregularity in, or invalidity of such proceedings, which shall not be questioned by any person. The Other Shareholders shall in such a case be bound to deliver up their certificates for their Shares to the Company, or a statutory declaration of loss (as appropriate) whereupon the Other Shareholders shall be entitled to receive the purchase price for such Shares.
- 12.3.5 Once issued, a Drag Notice shall be irrevocable provided that any Drag Notice served shall lapse and be void ab initio if, for any reason, completion of the sale and purchase of Shares pursuant to the Approved Offer does not occur on the Completion Date specified in the Drag Notice then (unless any Drag Majority Shareholder serves written notice on each of the Other

Shareholders informing them that a later Completion Date shall apply in which case such later Completion Date shall be treated as applying in place of the original Completion Date specified). The Drag Majority Shareholders may serve further Drag Notices following the lapse of any particular Drag Notice.

- 12.3.6 The provisions of Article 9 shall not apply to any transfer of Shares made pursuant to an Approved Offer in circumstances where the Drag-Along Right is exercised in accordance with the preceding provisions of this Article 12.

13. **Transmission of Shares**

- 13.1 If title to a Share passes to a Transmitttee, the Company may only recognise the Transmitttee as having any title to that Share. A Transmitttee who produces such evidence of entitlement to Shares as the Directors may properly require:

13.1.1 may, subject to the Articles (and in particular Article 9 shall apply to any transfer to another person), choose either to become the holder of those Shares or to have them transferred to another person; and

13.1.2 subject to the Articles, and pending any transfer of the Shares to another person, has the same rights as the holder had,

but Transmitttees 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.

- 13.2 Transmitttees who wish to become the holders of Shares to which they have become entitled must notify the Company in writing of that wish. If the Transmitttee wishes to have a Share transferred to another person, the Transmitttee must execute an instrument of transfer in respect of it (and the provisions of Article 9 shall apply to the transfer of a Share to another person). Any transfer made or executed under this Article 13.2 is to be treated as if it were made or executed by the person from whom the Transmitttee has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.

- 13.3 If a notice is given to a Shareholder in respect of Shares and a Transmitttee is entitled to those Shares, the Transmitttee is bound by the notice if it was given to the Shareholder before the Transmitttee's name has been entered in the register of members.

14. **General meetings**

- 14.1 Every notice convening a general meeting shall comply with the provisions of section 325 of the Act as to giving information to the Shareholders in regard to their right to appoint proxies and all notices of a general meeting shall also be sent to the Directors and the auditor of the Company for the time being.

- 14.2 If the Directors have appointed a Chairman, the Chairman shall chair general meetings if present and willing to do so. If the Directors have not appointed a Chairman, or if the Chairman is unwilling to chair the meeting or is not present within 10 minutes of the time at which a meeting was due to start;

14.2.1 the Directors present; or

14.2.2 (if no Directors are present), the meeting,

must appoint a Director or Shareholder to chair the meeting, and the appointment of the Chairman must be the first business of the meeting. The person chairing a meeting in accordance with this Article 14.2 is referred to as "the Chairman of the meeting".

14.3 No business shall be transacted at any general meeting of the Company unless a quorum is participating at the time when the meeting proceeds to business and also when that business is voted on. The quorum at any general meeting (including adjourned meetings) shall be 2 Shareholders (each being a member or a proxy for a Shareholder or a duly authorised representative of a corporation). If at a general meeting of the Company a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be adjourned and the provisions of Article 14.6 shall apply.

14.4 A Shareholder shall be deemed to be present at a general meeting and to form part of the quorum of that meeting if he participates by telephone or video conferencing facilities and can hear and be heard by the other Shareholders present (or deemed to be present) at the meeting provided that no decision shall be implemented unless and until confirmation of that decision shall have been exchanged between the Shareholders present or deemed to be present at that meeting.

14.5 The Chairman of the meeting may adjourn a general meeting at which a quorum is present if:

14.5.1 the meeting consents to an adjournment; or

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

14.6 The Chairman of the meeting must adjourn a general meeting if directed to do so by the meeting. When adjourning a general meeting, the Chairman of the meeting must:

14.6.1 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

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

14.7 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):

14.7.1 to the same persons to whom notice of the Company's general meetings is required to be given; and

14.7.2 containing the same information which such notice is required to contain.

14.8 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.

- 14.9 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll has been demanded. Unless a poll has been demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 14.10 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. Any such objection must be referred to the chairman of the meeting, whose decision is final.
- 14.11 If a resolution in writing is described as an Ordinary Resolution, Special Resolution or any other type of resolution it shall be approved, and shall have effect, accordingly. The resolution may be signed or approved by electronic form and may consist of several documents in like form each stating the terms of the resolution accurately and signed by or on behalf of one or more of the Shareholders or to which a Shareholder(s) has otherwise indicated agreement in writing.
- 14.12 An Ordinary Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if:
- 14.12.1 notice of the proposed amendments 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
 - 14.12.2 the proposed amendment does not, in the reasonable opinion of the Chairman of the meeting, materially alter the scope of the resolution.
- 14.13 A Special Resolution to be proposed at a general meeting may be amended by Ordinary Resolution, if:
- 14.13.1 the Chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
 - 14.13.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
15. **General meeting on Shareholders' requisition**
- 15.1 In addition to and subject to any relevant provisions of the Act, the Board shall convene a general meeting of the Company on the requisition of those Shareholders holding more than 20 per cent. of all Ordinary Shares then in issue at the date of deposit of the requisition, such meeting to be convened for such date as is specified in the requisition or as soon thereafter as the Act permits.
- 15.2 The requisition must state the general nature of the business to be dealt with at the meeting (and may include the text of a resolution that may properly be moved (as such is determined pursuant to the provisions of the Act) and is intended to be moved at the meeting), and must be authenticated (in accordance with the provisions of the Act) by the requisitionists and deposited at the registered office of the Company (such other address (including electronic address) as may be specified for the purpose) in

hard copy form or electronic form, and may consist of several documents in like form each signed by one or more requisitionists.

- 15.3 If the Board does not within 7 days from the date of the deposit of the requisition convene a meeting in accordance with this Article, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of 3 months from the date on which the Board became subject to the requirement to call a meeting.
- 15.4 A general meeting convened under this Article by requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by the Board and if the requests received by the Company identify a resolution intended to be moved at the meeting, the notice of the meeting must include notice of the resolution.
- 15.5 Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to convene a meeting in accordance with this Article shall be repaid to the requisitionists by the Company.

16. Votes of Shareholders' proxies and polls

- 16.1 A proxy appointed by a Shareholder under section 324 of the Act may vote on a show of hands as well as on a poll and shall be entitled to exercise the same number of votes on a show of hands or a poll as would have been capable of being exercised by the Shareholder(s) who appointed them.
- 16.2 A Proxy Notice shall:
 - 16.2.1 state the name and address of the Shareholder appointing the proxy and identify the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;
 - 16.2.2 be in writing under the hand of the appointor or of his attorney duly authorised in writing (or if the appointor is a corporation under its common seal or under the hand of some officer or attorney duly authorised in that behalf) and shall be in any common form or in such other form as the Directors may approve;
 - 16.2.3 be deemed (subject to any contrary direction contained in the same) to confer authority to demand or join in demanding a poll and to vote (whether on a show of hands or a poll) on any resolution or amendment of a resolution put to the meeting for which it is given, as the proxy thinks fit and to confer the right to speak at the meeting to which it relates (including any adjournment of it);
 - 16.2.4 be valid as well for any adjournment of the meeting as for the meeting to which it relates; and
 - 16.2.5 where it is stated to apply to more than one meeting, be valid for all such meetings as well as for any adjournment of any such meetings.
- 16.3 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. Unless a Proxy Notice indicates otherwise, it must be treated as:

- 16.3.1 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
 - 16.3.2 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.
- 16.4 Subject to the provisions of the Act, the appointment of a proxy (and any power of attorney or other authority under which it is signed (or a copy of such authority certified notarially or in some other way approved by the Board)) shall be sent or supplied in hard copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as is specified in the notice convening the meeting (or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting) or as the Board shall otherwise direct to be received before the time of the meeting or adjourned meeting to which it relates or, in the case of a poll taken after the date of the meeting or adjourned meeting, before the time appointed for the poll. Any instrument of proxy not so sent or supplied or received shall be invalid unless the Directors at any time prior to the meeting or the chairman of the meeting at the meeting, in their or his absolute discretion, accept as valid an instrument of proxy where there has not been compliance with the provisions of this Article 16.4 and such proxy shall thereupon be valid notwithstanding such default.
- 16.5 The validity of a vote given or poll demanded in accordance with the terms of an appointment of a proxy or the validity of anything done by a proxy acting as duly appointed Chairman of a meeting, or any decision determining whether a proxy counts in a quorum at a meeting, shall not be affected notwithstanding the death or mental disorder of the appointor or the revocation of the appointment of the proxy (or of the authority under which the appointment of the proxy was executed) or the transfer of the share in respect of which the appointment of the proxy is given, unless notice in writing of such death, mental disorder, revocation or transfer shall have been sent or supplied to the Company (or any other person as the Company may require in the notice of the meeting, any instrument of proxy sent out by the Company in relation to the meeting or in any invitation to appoint a proxy issued by the Company in relation to the meeting) in any manner permitted for the sending or supplying of appointments of proxy pursuant to these Articles, and received at the registered office of the Company (or such other address (including electronic address) as has been designated for the sending or supplying of appointments of proxy), before the time of the meeting or adjourned meeting to which it relates or, in the case of a poll taken after the date of the meeting or adjourned meeting, before the time appointed for the poll.
- 16.6 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. 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. A notice revoking a proxy appointment only takes effect if it is delivered before the start of a meeting or adjourned meeting to which it relates.
- 16.7 A poll on a resolution may be demanded:
 - 16.7.1 in advance of the general meeting where it is to be put to the vote; or

- 16.7.2 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.
- 16.8 A poll may be demanded by:
 - 16.8.1 the chairman of the meeting;
 - 16.8.2 the Directors;
 - 16.8.3 two or more persons having the right to vote on the resolution; or
 - 16.8.4 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.
- 16.9 A demand for a poll may be withdrawn if:
 - 16.9.1 the poll has not yet been taken; and
 - 16.9.2 the Chairman of the meeting consents to the withdrawal.
- 16.10 Polls must be taken immediately and in such manner as the Chairman of the meeting directs.
- 17. **Conflicts of interest**
- 17.1 *Authorisation of Situational Conflicts*
 - 17.1.1 For the purposes of section 175 of the Act, the Directors (by a majority of the Board) or the Shareholders (by Special Resolution) shall have the power to authorise, in accordance with the provisions of these Articles, any matter or situation proposed to them by a Director (the "**Interested Director**") which would, if not so authorised, constitute a breach of section 175 of the Act (to avoid conflicts of interest) (a "**Situational Conflict**"). Any authorisation of a Situational Conflict under this Article 18 may extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter of situation so authorised.
 - 17.1.2 The Interested Director must provide the Directors or the Shareholders (as the case may be) with such details as are sufficient for the Directors or the Shareholders to decide whether or not to authorise the Situational Conflict, together with such additional information as may be reasonably requested by the Directors or the Shareholders.
 - 17.1.3 If the Directors or the Shareholders authorise a Situational Conflict, they may provide (whether at the time of giving the authority or subsequently) that the Interested Director:
 - (a) not be permitted to receive certain documents or other information relating to the Situational Conflict;
 - (b) not be permitted to attend discussions (whether at Board meetings or otherwise) relating to the Situational Conflict;
 - (c) may or may not vote (or may or may not be counted in the quorum) at any future Board meeting in relation to the Situational Conflict;

- (d) not be required to account by reason of being a Director (or because of a fiduciary relationship established by reason of being a Director) to the Company for any remuneration, profit or other benefit which he derives from or in connection with a Situational Conflict which has been duly authorised by the Shareholders and the receipt of any such remuneration, profit or other benefit shall not constitute a breach of his duty under section 176 of the Act;
- (e) not be required to disclose to the Company any confidential information received by him by virtue of his Situational Conflict and otherwise than by virtue of his position as a Director of the Company, if to do so would breach any duty of confidentiality to any third party; and/or
- (f) comply with such other terms or conditions as the members reasonably think fit.

17.1.4 The Shareholders 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.

17.2 *Directors' Situational Conflicts – pre-approval for Directors*

17.2.1 Subject to compliance by him with his duties as a Director under Part X of the Act (other than the duty in section 175(1) of the Act to the extent that it is the subject of this Article 17.2.1), a Director may, at any time be a Director or other officer of, employed by, hold Shares or other securities in, or otherwise be interested, whether directly or indirectly, in:

- (a) any entity which, directly or indirectly, holds Shares in the Company (a "**Relevant Investor**") and as such the Director may, on behalf of the Relevant Investor, give or withhold any consent or give any direction required of any Relevant Investor or Relevant Investors pursuant to the terms of any subscription, investment or shareholders' agreement relating to the Company, or of any similar agreement or document ancillary to such an agreement; or
- (b) any other Company in which a Director or Relevant Investor also holds Shares or other securities or is otherwise interested, whether directly or indirectly (a "**Shareholder Director Interest**").

17.2.2 Notwithstanding his office or the existence of an actual or potential conflict between any Shareholder Director Interest (as described in Article 17.2.1(b) above) and the interests of the Company which would fall within the ambit of section 175(1) of the Act the Director shall:

- (a) be entitled to attend any meeting or part of a meeting of the Directors or a committee of the Directors at which any matter which may be relevant to the Shareholder Director Interest may be discussed, and to vote on a resolution of the Directors or a committee thereof relating to such matter, and any board papers relating to such matter shall be provided to the relevant Director at the same time as other Directors;
- (b) not be obliged to account to the Company for any remuneration or other benefits received by him in consequence of any interest;

- (c) be entitled to consult freely about the Group and its affairs with, and to disclose, for investment appraisal purposes, Confidential Information to, any investor in the Group or any other person on whose behalf it is investing in the Group, and to the Group's auditors, lenders and proposed lenders (or with and to any of its or their professional advisers); and
- (d) not be obliged to disclose to the Company or use for the benefit of the Company any other confidential information received by him by virtue of his interest and otherwise than by virtue of his position as a Director, if to do so would breach any duty of confidentiality to a third party.

17.3 *Directors' Situational Conflicts – disclosure of interests*

17.3.1 Any Director who has a Shareholder Director Interest shall, as soon as reasonably practicable following the relevant interest arising, disclose to the Board the existence of such interest and the nature and extent of such interest so far as the relevant Director or other Director is able at the time the disclosure is made provided that no such disclosure is required to be made of any matter in respect of which the relevant Director or other Director owes any duty of confidentiality to any third party. A disclosure made to the Board under this Article 17.3.1 may be made either at a meeting of the Board or by notice in writing to the Company marked for the attention of the Directors.

17.3.2 No contract entered into shall be liable to be avoided by virtue of:

- (a) any Director having an interest of the type referred to in Article 17.1.1 where the relevant Situational Conflict has been approved as provided by that Article or which is authorised pursuant to Article 17.1.1; or
- (b) any Director having a Shareholder Director Interest which falls within Article 17.2.1(b) or which is authorised pursuant to Article 17.1.1.

17.4 *Directors' conflicts of interest – Transactional Conflicts*

17.4.1 The provisions of Articles 17.1 to 17.3 shall not apply to Transactional Conflicts but the following provisions of this Article 17.4 shall apply. Any Director may be interested in an existing or proposed transaction or arrangement with the Company provided that he complies with the Act.

17.4.2 Without prejudice to the obligation of each Director to declare an interest in accordance with the Act, a Director may vote at a meeting of the Board on any resolution concerning a matter in which he has an interest, whether direct or indirect, which relates to a transaction or arrangement with the Company, or in relation to which he has a duty. Having so declared any such interest or duty he may have, the Director shall be counted in the quorum present when any such resolution is under consideration and if he votes on such resolution his vote shall be counted.

18. Notices and communications

18.1 Notices to be given pursuant to these Articles (other than a notice calling a meeting of Directors) shall be given in writing unless these Articles expressly provide otherwise.

18.2 The Company may validly send or supply any document (including any notice or Share certificate) or information to a Shareholder:

18.2.1 by delivering it by hand to the address recorded for the Shareholder in the register of Shareholders;

18.2.2 by sending it by post or courier in an envelope (with postage or delivery paid) to the address recorded for the Shareholder in the register of Shareholders;

18.2.3 by fax (except for Share certificates) to a fax number notified by the Shareholder in writing;

18.2.4 by electronic mail (except a Share certificate) to an email address notified by the Shareholder in writing; or

18.2.5 by means of a website (except a Share certificate) the address of which shall be notified to the Shareholder in writing,

in accordance with and subject to the "Company communications provisions" of the Act, but this Article 18.2 does not affect any other provision in any relevant legislation or these Articles requiring notices or documents to be delivered in a particular way.

18.3 In the case of joint holders of a Share, notices shall be given to the joint holder whose name stands first in the in the register of Shareholders in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders.

18.4 A Shareholder whose registered address for the purposes of Articles 18.2.1 or 18.2.2 above is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him or notifies the Company of a fax number or email address to which notices may be sent in electronic form or who agrees or is deemed to agree to notice being given to him by means of a website, shall be entitled to have notices given to him at that address, fax number, email address or by means of such website, but otherwise no such Shareholder shall be entitled to receive any notice from the Company.

18.5 A Shareholder present, either in person or by proxy or, being a corporation, by its representative, at any meeting of the Company or of holders of any class of Shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

18.6 If a document or information (whether in hard copy form or electronic form) is delivered by hand, it is deemed to have been received by the intended recipient at the time it is handed to or left for the Shareholder.

18.7 If a document or information (whether in hard copy form or electronic form) is sent by post or courier, to an address in the United Kingdom, it is deemed to have been received by the intended recipient:

18.7.1 48 hours after it was posted, if first class post was used; or

18.7.2 72 hours after it was posted or given to the courier, if first class post was not used,

provided that it was properly addressed and either put into the post system or given to the courier with postage or delivery paid.

18.8 If a document (other than a Share certificate) or information is sent by fax or electronic mail, it is deemed to have been received by the intended recipient at the time it was sent provided that it was sent to the correct fax number or email address.

18.9 If a document (other than a Share certificate) or information is sent by means of a website, it is deemed to have been received by the intended recipient when it was first made available on the website, or if later, when the recipient received (or is deemed to have received) information that it was available on the website.

18.10 Any common seal may only be used by the authority of the Directors. The Directors may decide by what means and in what form any common seal is to be used. 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. For the purposes of this Article 18.10, an authorised person is any Director of the Company or any person authorised by the Directors for the purposes of signing documents to which the common seal is applied.

19. Indemnity and insurance

19.1 Subject to the provisions of, and so far as may be permitted by and consistent with Sections 234–238 of the Act to the extent relevant, each Director and officer of the Company shall be indemnified out of the Company's assets against all liabilities incurred by him to a person other than the Company or an associated Company in connection with the execution of his duties, or in relation thereto including any liability incurred by him in defending any civil or criminal proceedings, in which judgement 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 relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs, but, for the avoidance of doubt such indemnity shall not cover any liability of a Director which is mentioned in section 234(3) of the Act.

19.2 To the extent permitted by the Act (and in accordance with section 233 of the Act in the case of Directors), the Company may buy and maintain insurance against any liability falling upon its Directors and other officers and auditors.