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PRIVATE COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

of

CARETTA RESEARCH LIMITED

Incorporated in England and Wales

With company number 12977383

Adopted by special written resolution on \_\_\_\_\_ 29 January \_\_\_\_\_ 2021

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THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

CARETTA RESEARCH LIMITED

## INTRODUCTION

### 1. INTERPRETATION

#### 1.1. The following definitions and rules of interpretation apply in these Articles:

Act: means the Companies Act 2006.

Acting In Concert: has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time).

appointor: has the meaning given in article 15.1

Articles: means the company's articles of association for the time being in force.

A Shares: means the A ordinary shares of £0.10 each in the capital of the Company.

Bad Leaver: means an Employee Shareholder who ceases to be an Employee as a result of that person's dismissal as an Employee for cause, where "cause" shall mean: (i) the lawful termination of that person's contract of employment or consultancy without notice or payment in lieu of notice as a consequence of that person's misconduct or as otherwise permitted pursuant to the terms of that person's contract of employment or consultancy; and/or (ii) that person's fair dismissal pursuant to section 98(2) (a) (capability) or 98(2) (b) (conduct) of the Employment Rights Act 1996.

B Shares: means the B ordinary shares of £0.10 each in the capital of the Company.

Business Day: means any day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business.

Company: means Caretta Research Limited (registered in England and Wales with number 12977383).

Conflict: has the meaning given in article 10.1.

Control: as defined in section 1124 Corporation Tax Act 2010.

C Shares: means the C ordinary shares of £0.10 each in the capital of the Company.

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

Employee: an employee or consultant (whether directly or through a personal service company) to the Company (or any Member of the Same Group of the Company).

Employee Shareholder: an Employee who holds any Shares.

Family Trusts: means as regards any particular individual member or deceased or former individual member, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual; and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons.

Founder: means Robert Ambrose or Thomas Jeffrey Morrod

Good Leaver: means an Employee Shareholder who ceases to be an Employee and is not a Bad Leaver.

Group: means a parent undertaking and its subsidiary undertakings.

Member of the same Group: as regards any company, a company which is from time to time a parent undertaking or a subsidiary undertaking of any such parent undertaking

Model Articles: means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles and as annexed to these Articles.

Permitted Transferee: means in relation to a shareholder:

- (a) who is an individual, to any of his Privileged Relations, Family Trusts or to the trustees of those Family Trusts or to a corporate entity under his or his Privileged Relations Control;

- (b) that is an undertaking (as defined in section 1161(1) of the 2006 Act), to any Member of the same Group or to an individual that Controls the holding company of such Group; or
- (c) to the executors or beneficiaries of a deceased shareholder's estate, following the death of that shareholder.

Privileged Relations: means the spouse, civil partner, widow or widower of a shareholder and the shareholder's children and grandchildren (including step and adopted children), and step and adopted children of the shareholder's children.

Shares: means the A Shares, the B Shares and the C Shares.

Valuers: means the auditors or accountants for the time being of the company, unless the auditors or accountants give notice to the company that they decline an instruction to report on the matter in question, when the Valuers shall be a firm of chartered accountants agreed between the Seller and the directors or, in default of such agreement within 10 Business Days following the notice from the auditors or accountants declining to report, as appointed by the President of the Institute of Chartered Accountants in England and Wales on the application of any such party.

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

- 1.9. The Model Articles shall apply to the company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.
- 1.10. Articles 7, 8, 9, 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 52 and 53 of the Model Articles shall not apply to the company.
- 1.11. Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur".
- 1.12. In Article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.13. Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 13," after the word "But".
- 1.14. Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 27(2) of the Model Articles," after the words "the transmittee's name".
- 1.15. Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".

## DIRECTORS

### 2. COMMITTEES

Where a provision of the articles refers to the exercise of a power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a committee, the provision shall be construed as permitting the exercise of power, authority or discretion by the committee.

### 3. DIRECTORS TO TAKE DECISIONS COLLECTIVELY

- 3.1. The general rule about decision-making by directors is that any decision of the directors must be taken as a majority decision at a meeting or as a directors' written resolution in accordance with article 4 or otherwise as a unanimous decision in accordance with article 5.

- 3.2. If:

- 3.2.1. the company only has one director for the time being; and

- 3.2.2. no provision of the articles requires it to have more than one director,

the general rule does not apply, and the director may (for so long as he remains the sole

director) take decisions without regard to any provisions of the articles relating to directors' decision-making.

- 3.3. Subject to the articles, each director participating in a directors' meeting has one vote.

#### 4. DIRECTORS' WRITTEN RESOLUTIONS

- 4.1. Any director may propose a directors' written resolution by giving notice in writing of the proposed resolution to each of the other directors (including alternate directors).

- 4.2. If the company has appointed a company secretary, the company secretary must propose a directors' written resolution if a director so requests by giving notice in writing to each of the other directors (including alternate directors).

- 4.3. Notice of a proposed directors' written resolution must indicate:

4.3.1. the proposed resolution; and

4.3.2. the time by which it is proposed that the directors should adopt it.

- 4.4. A proposed directors' written resolution is adopted when a majority of the non-conflicted directors (or their alternates) have signed one or more copies of it, provided that those directors (or their alternates) would have formed a quorum at a directors' meeting were the resolution to have been proposed at such meeting.

- 4.5. Once a directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a directors' meeting in accordance with the Articles.

#### 5. UNANIMOUS DECISIONS

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

- 5.2. A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at a directors' meeting had the matter been proposed as a resolution at such a meeting.

- 5.3. Once a directors' unanimous decision is taken in accordance with this article it must be treated as if it had been a decision taken at a directors' meeting in accordance with the Articles.

#### 6. CALLING A DIRECTORS' MEETING

- 6.1. Any director may call a directors' meeting by giving notice of the meeting to each of the directors (including alternate directors), whether or not he is absent from the UK, or by authorising the company secretary (if any) to give such notice.



- 6.2. Notice of any directors' meeting must indicate:
- 6.2.1. its proposed date and time;
  - 6.2.2. the nature of the business that it is proposed be discussed;
  - 6.2.3. where it is to take place; and
  - 6.2.4. if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 6.3. Subject to article 6.4, notice of a directors' meeting shall be given to each director but need not be in writing.
- 6.4. Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company prior to or up to and including not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

## 7. QUORUM FOR DIRECTORS' MEETINGS

Subject to article 7.1, the quorum for the transaction of business at a meeting of directors is any two eligible directors.

- 7.1. For the purposes of any meeting (or part of a meeting) held pursuant to article 10 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.
- 7.2. If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision:
- 7.2.1. to appoint further directors; or
  - 7.2.2. to call a general meeting so as to enable the shareholders to appoint further directors.

## 8. CASTING VOTE

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

## 9. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

- 9.1. Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of

the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company:

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

## 10. DIRECTORS' CONFLICTS OF INTEREST

- 10.1. The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an Interested Director) breaching his duty under section 175 of the Act to avoid conflicts of interest (Conflict).
- 10.2. Any authorisation under this article 10 will be effective only if:
  - 10.2.1. the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
  - 10.2.2. any requirement as to the quorum for consideration of the relevant matter is met

without counting the Interested Director or any other interested director; and

- 10.2.3. the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested director's vote had not been counted.
- 10.3. Any authorisation of a Conflict under this article 10 may (whether at the time of giving the authorisation or subsequently):
  - 10.3.1. extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
  - 10.3.2. provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
  - 10.3.3. provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
  - 10.3.4. impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
  - 10.3.5. provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose that information to the company, or to use it in relation to the company's affairs where to do so would amount to a breach of that confidence; and
  - 10.3.6. permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 10.4. Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 10.5. The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 10.6. A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any

remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

#### **11. RECORDS OF DECISIONS TO BE KEPT**

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

#### **12. NUMBER OF DIRECTORS**

Unless otherwise determined in accordance with the requirements of these articles, the number of directors (other than alternate directors) shall not be fewer than two and not more than 10.

#### **13. APPOINTMENT OF DIRECTORS**

13.1. The holders of the A Shares, by majority vote by number of A Shares held, have the right to appoint and maintain in office one natural person as they may from time to time nominate as a Director and to remove any director so appointed and, upon such removal whether by them or otherwise, to appoint another director in such Director's place, in each case by written notice to the Company.

13.2. The holders of the B Shares, by majority vote by number of B Shares held, have the right to appoint and maintain in office one natural person as they may from time to time nominate as a Director and to remove any director so appointed and, upon such removal whether by them or otherwise, to appoint another director in such Director's place, in each case by written notice to the Company.

13.3. The holders of the C Shares, by majority vote by number of C Shares held, have the right to appoint and maintain in office one natural person as they may from time to time nominate as a Director and to remove any director so appointed and, upon such removal whether by them or otherwise, to appoint another director in such Director's place, in each case by written notice to the Company.

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

#### **14. TERMINATION OF DIRECTOR'S APPOINTMENT**

Article 18(c) of the Model Articles shall be amended by the addition of the words “and the company resolves that his office be vacated” at the end of the sub-Article.

## 15. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

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

15.1.1. exercise that director's powers; and

15.1.2. carry out that director's responsibilities,

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

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

15.3. The notice must:

15.3.1. identify the proposed alternate; and

15.3.2. in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

## 16. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

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

16.2. Except as the Articles specify otherwise, alternate directors:

16.2.1. are deemed for all purposes to be directors;

16.2.2. are liable for their own acts and omissions;

16.2.3. are subject to the same restrictions as their appointors (including those set out in sections 172 to 177 of the Act inclusive and article 10); and

16.2.4. are not deemed to be agents of or for their appointors

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

16.3. A person who is an alternate director but not a director:

- 16.3.1. may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating and provided that no alternate may be counted as more than one director for these purposes);
  - 16.3.2. may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate); and
  - 16.3.3. may sign a written resolution (but only if it is not signed or to be signed by that person's appointor).
- 16.4. A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present.
- 16.5. An alternate director may be paid expenses and may be indemnified by the company to the same extent as his appointor but shall not be entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company.

## 17. TERMINATION OF ALTERNATE DIRECTORSHIP

- 17.1. An alternate director's appointment as an alternate terminates:
- 17.1.1. when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;
  - 17.1.2. when notification is received by the company from the alternate that the alternate is resigning as alternate for that appointor and such resignation has taken effect in accordance with its terms;
  - 17.1.3. on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;
  - 17.1.4. on the death of the alternate's appointor; or
  - 17.1.5. when the alternate's appointor's appointment as a director terminates.

## 18. SECRETARY

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

decision of the directors.

## SHARES

### 19. RIGHTS ATTACHING TO THE SHARES

19.1. The Shares shall rank *pari passu* in all respects save as otherwise set out in these Articles, but shall constitute separate classes of shares.

19.2. Voting: The Shares shall entitle the holders of the Shares to receive notice of, to attend, to speak and to vote at general meetings of the Company.

19.3. Dividends. Where any dividend is declared, the Directors (in the case of an interim dividend) or the Shareholders (in the case of a final dividend) may direct that such dividend be paid:

19.3.1. in respect of all classes of Shares; or

19.3.2. with the prior written consent of a majority of the holders of each class of Shares, in respect of one or more classes of Shares to the exclusion of any other class or classes;

19.3.3. where a dividend is declared in respect of two or more classes of Shares the Company may, with the prior written consent of a majority of the holders of each class of Shares, differentiate between the classes of Shares as to the amount or percentage of any dividend payable, but in default of such consent the Shares in each such classes shall be deemed to rank *pari passu* in all respects as if they constituted one class of Shares,

19.4. Capital. All distributions by way of capital by the Company shall be paid to the holders of the Shares *pro rata* to their holdings of Shares (as if the A Shares, the B Shares and the C Shares constituted a single class of shares).

### 20. ISSUE OF SHARES: PRE-EMPTION RIGHTS

20.1. In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of shares made by the Company.

20.2. Unless otherwise agreed by special resolution, if the Company proposes to allot any shares, those shares shall not be allotted to any person unless the Company has first offered them to all members on the date of the offer on the same terms, and at the same price, as those shares are being offered to such other person on a *pari passu* basis and *pro rata* to the nominal value of shares held by those members (as nearly as possible without involving fractions).

20.3. The offer:

- 20.3.1. shall be in writing, shall be open for acceptance for a period of 15 Business Days from the date of the offer and shall give details of the number and subscription price of the relevant shares; and
  - 20.3.2. may stipulate that any member who wishes to subscribe for a number of shares in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess shares (Excess Shares) for which he wishes to subscribe.
- 20.4. Any shares not accepted by members pursuant to the offer made to them in accordance with articles 20.2 and 20.3 shall be used for satisfying any requests for Excess Shares made pursuant to article 20.3.2. If there are insufficient Excess Shares to satisfy such requests, the Excess Shares shall be allotted to the applicants as nearly as practicable in the proportion that the number of Excess Shares each member indicated he would accept bears to the total number of Excess Shares applied for (as nearly as possible without involving fractions or increasing the number of Excess Shares allotted to any member beyond that applied for by him). After that allotment, any Excess Shares remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the members.
21. VOLUNTARY TRANSFERS: PRE-EMPTION RIGHTS
- 21.1. Except where the provisions of articles 20.4, 22, 22.2 or 24 apply, or with the prior written approval of both Founders, if any member wishes to transfer any shares (Seller) to a third party, such transfer will require the prior written consent of both Founders and such shares will, at the option of the Company:
    - 21.1.1. be bought back by the Company at such price as is agreed between the Seller and the Company or else at Market Value; or
    - 21.1.2. be offered to the other members of the company in the manner set out in this article 21 before the Seller is able to transfer or agree to transfer such shares to a third party.
  - 21.2. A Seller must first serve notice in writing (Transfer Notice) on the company of his wish to make a transfer of his shares and must set out in the Transfer Notice:
    - 21.2.1. the number and class of shares (Sale Shares and each one a Sale Share) which he wishes to transfer;
    - 21.2.2. if there is a specific proposed transferee to whom the Seller wishes to transfer the Sale Shares, the identity of such third party;
    - 21.2.3. the price per share at which the Seller wishes to transfer the Sale Shares (Proposed Sale Price); and



- 21.2.4. whether the Transfer Notice is conditional upon all (and not some) of the Sale Shares being sold pursuant to the following provisions of this article 21 (Total Transfer Condition).
- 21.3. Each Transfer Notice shall:
- 21.3.1. relate to one class of shares only;
  - 21.3.2. constitute the company as the agent of the Seller for the sale of the Sale Shares on the terms of this article 21; and
  - 21.3.3. save as provided in article 21.8, be irrevocable.
- 21.4. After the Transfer Notice is served on the company by the Seller, the Sale Shares shall be offered for purchase in accordance with this article 21 at a price per Sale Share (Sale Price) agreed between the Seller and the directors or, if there is no such agreement by the end of the 15th Business Day after the date of service of the Transfer Notice:
- 21.4.1. if the directors so elect during that 15 Business Day period, the Sale Price shall be the price per Sale Share reported on by the Valuers as their written opinion of the open market value of each Sale Share (Market Value) as at the date of service of the Transfer Notice (in which case for the purposes of these Articles the Sale Price shall be deemed to have been determined on the date of the receipt by the company of the Valuer's report); or
  - 21.4.2. otherwise the Sale Price shall be the Proposed Sale Price (in which case for the purpose of these Articles the Sale Price shall be deemed to have been agreed at the end of that 15th Business Day).
- 21.5. If instructed to report on their opinion of Market Value under article 21.4, the Valuers shall:
- 21.5.1. act as expert and not as arbitrator and their written determination shall be final and binding on the members; and
  - 21.5.2. proceed on the basis that:
    - (a) the open market value of each Sale Share shall be the sum which a willing buyer would agree with a willing seller to be the purchase price for all the shares in the Company, divided by the number of issued shares in the Company;
    - (b) there shall be no addition of any premium or subtraction of any discount by reference to the size of the holding the subject of the Transfer Notice or in relation to any restrictions on the transferability of the Sale Shares; and

(c) any difficulty in applying either of the foregoing bases shall be resolved by the Valuers as they think fit in their absolute discretion.

- 21.6. The Company will use its reasonable endeavours to procure that the Valuers deliver their written opinion of the Market Value to the directors and the Seller within 28 days of being requested to do so.
- 21.7. The Valuers' fees for reporting on their opinion of the Market Value shall be borne as the Valuers shall specify in their valuation having regard to the conduct of the parties and the merit of their arguments in respect of the matters in dispute or otherwise (in the absence of any such specification by the Valuers) as to one half by the Seller and as to the other half by the company unless the Seller revokes the Transfer Notice pursuant to article 21.8, in which case the Seller shall pay all the Valuers' fees.
- 21.8. If the Market Value is reported on by the Valuers under article 21.4 to be less than the Proposed Sale Price, the Seller may revoke any Transfer Notice which was not stated to be, or is not deemed by these Articles to be, irrevocable by giving written notice to the directors within the period of five Business Days after the date the Seller is provided the Valuers' written opinion of the Market Value.
- 21.9. The directors shall at least 10 Business Days after and no more than 20 Business Days after the Sale Price has been agreed or determined give an Offer Notice to all members to whom the Sale Shares are to be offered in accordance with these Articles.
- 21.10. An Offer Notice shall:
- 21.10.1. specify the Sale Price;
  - 21.10.2. contain the other details included in the Transfer Notice; and
  - 21.10.3. invite each of the members (other than the Seller) to apply in writing within 20 Business Days after service of such Offer Notice setting out the number of Sale Shares he wishes to acquire and, if he so desires, that he would be willing to purchase a number of Sale Shares in excess of his proportionate entitlement of such Sale Shares as set out in article 21.11.1, and shall expire 20 Business Days after its service.
- 21.11. After the expiry date of the Offer Notice, the directors shall allocate the Sale Shares in accordance with the applications received save that:
- 21.11.1. if there are applications from members for more than the number of Sale Shares available, they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any member more Sale Shares than the maximum number applied for by him) to the number of shares then held by them respectively;

however, if any members indicate that they would be willing to purchase a particular proportionate entitlement (Excess Shares), in which case, applications for Excess Shares shall be allocated in accordance with such applications, or in the event of competition among those members applying for Excess Shares in such proportions as equal (as nearly as may be) to the proportions of all the Shares held by such members;

21.11.2. if it is not possible to allocate any of the Sale Shares without involving fractions, they shall be allocated amongst them in such manner as the Board shall think fit; and

21.11.3. if the Transfer Notice contained a valid Total Transfer Condition, no allocation of Sale Shares shall be made unless all the Sale Shares are allocated.

21.12. The directors shall, within five Business Days of the expiry date of the Offer Notice, give notice in writing (Allocation Notice) to the Seller and to each person to whom Sale Shares have been allocated (each a Buyer) setting out:

21.12.1. the name and address of each Buyer;

21.12.2. the number and class of Sale Shares agreed to be purchased by each Buyer;

21.12.3. the aggregate price payable for them; and

21.12.4. the date and time when each Buyer must pay the Seller in respect of the Sale Shares allocated to such Buyer and the Seller must deliver the relative share certificate(s) to that Buyer.

21.13. Completion of a sale and purchase of Sale Shares pursuant to an Allocation Notice shall take place at the registered office of the Company at the date and time specified in the Allocation Notice when the Seller shall, upon payment to him by a Buyer of the Sale Price in respect of the Sale Shares allocated to that Buyer, transfer those Sale Shares and deliver the relative share certificate(s) to that Buyer.

21.14. The Seller may, during the period of thirty Business Days immediately following the expiry date of the Offer Notice, sell all or any of these Sale Shares, for which an Allocation Notice has not been given, by way of bona fide sale to the proposed transferee named in the Transfer Notice or, if none was so named, to any transferee, in either case at any price per Sale Share which is not less than the Sale Price, without any deduction, rebate or allowance to the proposed transferee, provided that:

21.14.1. the Seller may not transfer such share and the directors shall not register any transfer to a transferee who is not at that date a member unless such transferee is first approved in writing by the directors; and

21.14.2. if the Transfer Notice contained a Total Transfer Condition, the Seller shall not be entitled, save with the written consent of the directors, to sell only some of the Sale Shares under this article 21.14.

21.15. If a Seller fails for any reason (including death) to transfer any Sale Shares when required pursuant to this article 21, the directors may authorise any director of the company (who shall be deemed to be irrevocably appointed as the attorney and/or agent of the Seller for the purpose) to execute each necessary transfer of such Sale Shares and deliver it on the Seller's behalf. The company may receive the purchase money for such Sale Shares from the Buyer and shall upon receipt (subject, if necessary, to the transfer being duly stamped) register the Buyer as the holder of such Sale Shares. The company shall hold such purchase money in a separate bank account on trust for the Seller but shall not be bound to earn or pay interest on any money so held. The company's receipt for such purchase money shall be a good discharge to the Buyer who shall not be bound to see to the application of it, and after the name of the Buyer has been entered in the register of members in purported exercise of the power conferred by this article 21.15 the validity of the proceedings shall not be questioned by any person.

## 22. PERMITTED TRANSFERS

22.1. A Shareholder (the Original Shareholder) may transfer all or any of his or its shares to a Permitted Transferee without being required to follow the steps set out in article 21 (Permitted Transfer).

22.2. A shareholder holding Shares as a result of a Permitted Transfer made after the date of adoption of these Articles by a Shareholder under the provisions of article 22.1 may at any time transfer all (but not some only) of its shares back to the shareholder from whom it received those shares or to another Permitted Transferee of such shareholder, without being required to follow the steps set out in article 21.

22.3. If a Permitted Transfer has been made to a Permitted Transferee, that is a Member of the same Group, that Permitted Transferee shall within five Business Days of ceasing to be a Member of the same Group transfer all of the shares in the Company held by it to:

22.3.1. the shareholder from whom it received those shares; or

22.3.2. another Permitted Transferee of that shareholder,

without any price or restriction. If the Permitted Transferee fails to make a transfer in accordance with this article 22.3 the Company may execute a transfer of the shares on behalf of the Permitted Transferee and register the shareholder as the holder of such shares.

22.4. If a Permitted Transfer has been made to a Permitted Transferee, that is a Privileged Relation, that Permitted Transferee shall within five Business Days of ceasing to be a Privileged

Relation (whether by reason of death, divorce, dissolution of civil partnership, change of beneficiaries of a trust or otherwise) transfer all of the shares in the Company held by it to:

21.4.1. the shareholder from whom it received those shares; or

21.4.2. another Permitted Transferee of that shareholder,

without any price or restriction. If the Permitted Transferee fails to make a transfer in accordance with this article 22.4 the Company may execute a transfer of the shares on behalf of the Permitted Transferee and register the shareholder as the holder of such shares.

## 23. TAG ALONG

23.1. Except in the case of transfers pursuant to article 22, the provisions of article 23.2 to article 23.6 shall apply if, in one or a series of related transactions, one or more shareholders (Selling Shareholders) propose to transfer any of their shares (Proposed Transfer) which would, if carried out, result in any person (Buyer), and any person Acting in Concert with the Buyer, acquiring Control of the Company.

23.2. Before making a Proposed Transfer, the Selling Shareholders shall procure that the Buyer makes an offer (Offer) to the other shareholders to purchase all of the shares held by them for a consideration in cash per share that is 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 six months preceding the date of the Proposed Transfer (Specified Price).

23.3. The Offer shall be given by written notice (Offer Notice), at least 28 Business Days (Offer Period) before the proposed sale date (Sale Date). To the extent not described in any accompanying documents, the Offer Notice shall set out:

23.3.1. the identity of the Buyer;

23.3.2. the purchase price and other terms and conditions of payment;

23.3.3. the Sale Date; and

23.3.4. the number of shares proposed to be purchased by the Buyer (Offer Shares).

23.4. If the Buyer fails to make the Offer to all the other shareholders of the Company in accordance with article 23.2 and article 23.3, the Selling Shareholders 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.

23.5. If the Offer is accepted by any Shareholder (Accepting Shareholder) within the Offer Period, the completion of the Proposed Transfer shall be conditional on completion of the purchase of

all the Offer Shares held by Accepting Shareholders.

24. DRAG ALONG

24.1. If the holders of 75% or more of the shares in the Company in issue for the time being (Selling Shareholders) wish to transfer all of their interest in such shares (Sellers' Shares) to a bona fide arm's length purchaser (Proposed Buyer), the Selling Shareholders may require all other shareholders (Called Shareholders) to sell and transfer all their shares to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this article (Drag Along Option).

24.2. The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect (Drag Along Notice) at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify:

24.2.1. that the Called Shareholders are required to transfer all their shares (Called Shares) pursuant to this article;

24.2.2. the person to whom the Called Shares are to be transferred;

24.2.3. the consideration payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per share offered by the Proposed Buyer for the Sellers' Shares; and

24.2.4. the proposed date of the transfer.

24.3. Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 28 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

24.4. No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this article.

24.5. Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Sellers' Shares unless:

24.5.1. all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Selling Shareholders; or

24.5.2. that date is less than 28 Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the 28<sup>th</sup> Business Day after

service of the Drag Along Notice.

- 24.6. Within 14 Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are due for their shares pursuant to article 24.2.3 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to article 24.2.3 in trust for the Called Shareholders without any obligation to pay interest.
- 24.7. To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the consideration due pursuant to article 24.2.3, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this article 24 in respect of their Called Shares.
- 24.8. If any Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by it, the defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute all necessary transfer(s) on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares, to deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a Share certificate shall not impede the registration of shares under this article 24.]
25. SUSPENSION OF VOTING RIGHTS & COMPULSORY TRANSFER
- 25.1. If any of the following events occurs in relation to a shareholder (each a Compulsory Transfer Event):
- 25.1.1. the passing of a resolution for the liquidation of the shareholder other than a solvent liquidation for the purpose of the reconstruction or amalgamation of all or part of the shareholder's group (the structure of which has been previously approved by the other shareholder in the Company in writing) in which a new company assumes (and is capable of assuming) all the obligations of the shareholder; or
- 25.1.2. the presentation at court by any competent person of a petition for the winding up of the shareholder and which has not been withdrawn or dismissed within seven days of such presentation; or

- 25.1.3. a change of Control of the shareholder; or
- 25.1.4. the issue at court by any competent person of a notice of intention to appoint an administrator to the shareholder, a notice of appointment of an administrator to the shareholder or an application for an administration order in respect of the shareholder; or
- 25.1.5. any step being taken by any person to appoint a receiver, administrative receiver or manager in respect of the whole or a substantial part of the assets or undertaking of the shareholder; or
- 25.1.6. the shareholder being unable to pay its debts as they fall due for the purposes of section 123 of the Insolvency Act 1986; or
- 25.1.7. the shareholder entering into a composition or arrangement with any of its creditors; or
- 25.1.8. any chargor taking any step to enforcing any charge created over any shares held by the shareholder in the Company (other than by the appointment of a receiver, administrative receiver or manager); or
- 25.1.9. a process having been instituted that could lead to the shareholder being dissolved and its assets being distributed among the shareholder's creditors, shareholders or other contributors; or
- 25.1.10. the shareholder ceasing to carry on its business or substantially all of its business; or
- 25.1.11. in the case of the events set out above, any competent person taking any analogous step in any jurisdiction in which the shareholder carries on business;
- 25.1.12. the shareholder dies; or
- 25.1.13. the shareholders materially breaches any material term of these articles or any shareholders agreement in respect of the Company and that breach is not capable of remedy or, if that breach is capable of remedy, fails to remedy that breach within 60 days of written notice to do so,

the Board may by notice in writing to the relevant shareholder, at any time whilst such event subsists to suspend the voting rights attaching to the shares held by the relevant Shareholder and require that the relevant shareholder shall not exercise its right to attend and vote at general meetings of the Company and the Company shall not be obliged to give notice of any general meetings of the Company.

- 25.2. If a Compulsory Transfer Event occurs in relation to a Shareholder, the Board shall be entitled by notice in writing to the relevant Shareholder, at any time within 12 months of the date of the



Compulsory Transfer Event, to on behalf of the relevant Shareholder to serve a Transfer Notice on the Company and the provisions of Article 21 shall apply to the transfer of such shares as if any reference therein to the Seller is to the relevant Shareholder except that the price payable for such shares shall be:

25.2.1. under Articles 25.1.1 to 25.1.11, £1 in aggregate; or

25.2.2. under Article 25.1.12 or 25.1.13, the price agreed between the Shareholder and the Board or failing such agreement, Market Value.

## 26. EMPLOYEE LEAVERS

If any Employee Shareholder ceases to be an Employee (otherwise than as a result of their death) (an Employee Transfer Event) the Board may at any time within the 12-month period following such Employee Transfer Event by written notice to the relevant Shareholder, notify the relevant Shareholder that the relevant Shareholder is required to sell some or all of the Relevant Shares and such Shareholder will be deemed to have served a Transfer Notice on the Company and the provisions of Article 21 shall apply to the transfer of such Relevant Shares as if any reference therein to the Seller is to the relevant Shareholder except that the price payable for such Relevant Shares shall be:

26.1.1. in the case of a Shareholder being a Bad Leaver, £1 in aggregate; or

26.1.2. in all other cases, the price agreed between the Shareholder and the Board or failing such agreement, Market Value.

26.2. If an Employee Transfer Event occurs in relation to a Shareholder, the Board shall be entitled by notice in writing to the relevant Shareholder, at any time whilst such Employee Transfer Event subsists to suspend the voting rights attaching to the Relevant Shares held by the relevant Shareholder and require that the relevant Shareholder shall not exercise its right to attend and vote at general meetings of the Company in respect of such Relevant Shares.

26.3. For the purposes of this Article 26, prior to the Board offering the Shareholder's Relevant Shares in accordance with the provisions of Article 21, it may in its absolute discretion, direct that such Relevant Shares are transferred:

26.3.1. to any employee benefit trust set up by the Company from time to time;

26.3.2. to a person or persons nominated by the Board to take the Shares conditionally upon them commencing employment or engagement with the Company;

26.3.3. to any existing employees of the Company;

26.3.4. to the Company (subject always to the provisions of the Act).

26.4. In this Article 26 the Relevant Shares means the following percentage (rounded up to the nearest whole number) of Shares registered in the name of the relevant Employee Shareholder (or in the name of their Permitted Transferee if applicable):

26.4.1. If the Employee Transfer Event occurs within one year from the later of the date of adoption of these Articles and the relevant Employee becoming an Employee Shareholder, 100%;

26.4.2. If the Employee Transfer Event occurs on or after the date falling one year but before the date falling two years from the later of the date of adoption of these Articles and the relevant Employee becoming an Employee Shareholder, 66%;

26.4.3. If the Employee Transfer Event occurs on or after the date falling two years but before the date falling three years from the later of the date of adoption of these Articles and the relevant Employee becoming an Employee Shareholder, 33%;

26.4.4. If the Employee Transfer Event occurs on or after the date falling three years from the later of the date of adoption of these Articles and the relevant Employee becoming an Employee Shareholder, nil.

## 27. PURCHASE OF OWN SHARES

Subject to the Act but without prejudice to any other provision of these Articles, the company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) with cash up to any amount in a financial year not exceeding the lower of:

27.1.1. £15,000; and

27.1.2. the value of 5% of the company's share capital.

## DECISION MAKING BY SHAREHOLDERS

### 28. CONVENING GENERAL MEETINGS

The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene a general meeting in accordance with the Act. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or the members requisitioning the meeting (or any of them representing more than one half of the total voting rights of them all) may call a general meeting. If the company has only a single member, such member shall be entitled at any time to call a general meeting.

### 29. NOTICE OF GENERAL MEETINGS

29.1. General meetings (other than an adjourned meeting) shall be called by at least 14 clear days'

notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote, being a majority together holding not less than 90% in nominal value of the shares, giving that right.

- 29.2. The notice shall specify the time, date and place of the meeting, the general nature of the business to be transacted and the terms of any resolution to be proposed at it.
- 29.3. Subject to the provisions of these Articles and to any restrictions imposed on any shares, the notice shall be given to all members, to all persons entitled to a Share in consequence of the death or bankruptcy of a member (if the company has been notified of their entitlement) and to the directors, alternate directors and the auditors for the time being of the company.
- 29.4. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

### 30. QUORUM FOR GENERAL MEETINGS

No business shall be transacted at any meeting unless a quorum is present. Subject to section 318(2) of the Act, two qualifying persons (as defined in section 318(3) of the Act) entitled to vote upon the business to be transacted shall be a quorum; provided that if the company has only a single member, the quorum shall be one such qualifying person.

### 31. ADJOURNMENT

Article 41(1) of the Model Articles shall be amended by inserting the following sentence at the end of the first sentence of that article: "If, at the adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be dissolved".

### 32. POLL VOTES

- 32.1. On a poll every member who (being an individual is present in person or by proxy) or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote for every share of which he is the holder. On a poll, a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
- 32.2. A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 32.3. Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.
- 32.4. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

### 33. PROXIES

- 33.1. Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".
- 33.2. Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that article.

### 34. WRITTEN RESOLUTIONS OF SHAREHOLDERS

A resolution of the members (or a class of members) may be passed as a written resolution in accordance with Chapter 2 of Part 13 of the Act.

## ADMINISTRATIVE ARRANGEMENTS

### 35. MEANS OF COMMUNICATION TO BE USED

- 35.1. Subject to article 35.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
- 35.1.1. if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
  - 35.1.2. if sent by fax, at the time of transmission; or
  - 35.1.3. if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or
  - 35.1.4. if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied; or
  - 35.1.5. if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website; and
  - 35.1.6. if deemed receipt under the previous paragraphs of this article 35.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt. For the purposes of this article, all references to time are to local time in the place of deemed receipt.

35.2. To prove service, it is sufficient to prove that:

35.2.1. if delivered by hand the notice was delivered to the correct address; or

35.2.2. if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or

35.2.3. if sent by post the envelope containing the notice was properly addressed, paid for and posted; or

35.2.4. if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

## 36. INDEMNITY

36.1. Subject to article 36.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

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

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

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

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

36.1.2. the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 36.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

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

36.3. In this article:

36.3.1. companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

36.3.2. a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act) and may, if the members so decide, include any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

## 37. INSURANCE

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

37.2. In this article:

37.2.1. a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act);

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

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

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## PART 1

### INTERPRETATION AND LIMITATION OF LIABILITY

#### Defined terms

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

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

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

“chairman” has the meaning given in article 12;

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

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

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

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

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

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

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

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

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

“instrument” means a document in hard copy form;

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

“paid” means paid or credited as paid;

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

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

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

“shares” means shares in the company;

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

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

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

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

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

### **Liability of members**

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

## **PART 2**

### **DIRECTORS**

#### **DIRECTORS’ POWERS AND RESPONSIBILITIES**

#### **Directors’ general authority**

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

#### **Shareholders’ reserve power**

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

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

#### **Directors may delegate**

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

- (a) to such person or committee;
  - (b) by such means (including by power of attorney);
  - (c) to such an extent;
  - (d) in relation to such matters or territories; and
  - (e) on such terms and conditions;
- as they think fit.

(2) If the directors so specify, any such delegation may authorise further delegation of the directors’ powers by any person to whom they are delegated.

(3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

#### **Committees**

- 6.—(1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.
- (2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

## DECISION-MAKING BY DIRECTORS

### Directors to take decisions collectively

- 7.—(1) The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.
- (2) If—
- (a) the company only has one director, and
  - (b) no provision of the articles requires it to have more than one director,
- the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

### Unanimous decisions

- 8.—(1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- (2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.
- (3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.
- (4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

### Calling a directors' meeting

- 9.—(1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.
- (2) Notice of any directors' meeting must indicate—
- (a) its proposed date and time;
  - (b) where it is to take place; and
  - (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- (3) Notice of a directors' meeting must be given to each director, but need not be in writing.
- (4) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

### Participation in directors' meetings

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

- (a) the meeting has been called and takes place in accordance with the articles, and
- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- (2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- (3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

### **Quorum for directors' meetings**

- 11.—(1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.
- (3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—
  - (a) to appoint further directors, or
  - (b) to call a general meeting so as to enable the shareholders to appoint further directors.

### **Chairing of directors' meetings**

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

### **Casting vote**

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

### **Conflicts of interest**

- 14.—(1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- (2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.
- (3) This paragraph applies when—
  - (a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;
  - (b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or

- (c) the director's conflict of interest arises from a permitted cause.
- (4) For the purposes of this article, the following are permitted causes—
  - (a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;
  - (b) subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and
  - (c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.
- (5) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- (6) Subject to paragraph (7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.
- (7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

#### Records of decisions to be kept

15. The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

#### **Directors' discretion to make further rules**

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

### APPOINTMENT OF DIRECTORS

#### Methods of appointing directors

- 17.—(1) Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director—
- (a) by ordinary resolution, or
  - (b) by a decision of the directors.
- (2) In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.
- (3) For the purposes of paragraph (2), where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

## **Termination of director's appointment**

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

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

## **Directors' remuneration**

- 19.—(1) Directors may undertake any services for the company that the directors decide.
- (2) Directors are entitled to such remuneration as the directors determine—
- (a) for their services to the company as directors, and
  - (b) for any other service which they undertake for the company.
- (3) Subject to the articles, a director's remuneration may—
- (a) take any form, and
  - (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- (4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- (5) Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

## **Directors' expenses**

20. The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at—
- (a) meetings of directors or committees of directors,
  - (b) general meetings, or
  - (c) separate meetings of the holders of any class of shares or of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

# **PART 3**

## **SHARES AND DISTRIBUTIONS**

### **SHARES**

**All shares to be fully paid up**

- 21.—(1) No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.  
(2) This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

#### Powers to issue different classes of share

- 22.—(1) Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.  
(2) The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

#### Company not bound by less than absolute interests

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

#### Share certificates

- 24.—(1) The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.  
(2) Every certificate must specify—  
(a) in respect of how many shares, of what class, it is issued;  
(b) the nominal value of those shares;  
(c) that the shares are fully paid; and  
(d) any distinguishing numbers assigned to them.  
(3) No certificate may be issued in respect of shares of more than one class.  
(4) If more than one person holds a share, only one certificate may be issued in respect of it.  
(5) Certificates must—  
(a) have affixed to them the company's common seal, or  
(b) be otherwise executed in accordance with the Companies Acts.

#### Replacement share certificates

- 25.—(1) If a certificate issued in respect of a shareholder's shares is—  
(a) damaged or defaced, or  
(b) said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.  
(2) A shareholder exercising the right to be issued with such a replacement certificate—  
(a) may at the same time exercise the right to be issued with a single certificate or separate certificates;  
(b) must return the certificate which is to be replaced to the company if it is damaged or defaced; and  
(c) must comply with such conditions as to evidence, indemnity and the payment of a

reasonable fee as the directors decide.

### Share transfers

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

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

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

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

(5) The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

### Transmission of shares

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

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

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

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

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

### Exercise of transmittees' rights

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

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

(3) Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

### Transmittees bound by prior notices

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

## DIVIDENDS AND OTHER DISTRIBUTIONS

### Procedure for declaring dividends



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

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

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

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

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

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

(7) If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

#### Payment of dividends and other distributions

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

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

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

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

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

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

(a) the holder of the share; or

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

(c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

#### No interest on distributions

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

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

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

#### Unclaimed distributions

- 33.—(1) All dividends or other sums which are—  
(a) payable in respect of shares, and  
(b) unclaimed after having been declared or become payable,  
may be invested or otherwise made use of by the directors for the benefit of the company until claimed.  
(2) The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.  
(3) If—  
(a) twelve years have passed from the date on which a dividend or other sum became due for payment, and  
(b) the distribution recipient has not claimed it,  
the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

#### Non-cash distributions

- 34.—(1) Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).  
(2) For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution—  
(a) fixing the value of any assets;  
(b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and  
(c) vesting any assets in trustees.

#### Waiver of distributions

35. Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if—  
(a) the share has more than one holder, or  
(b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,  
the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

### CAPITALISATION OF PROFITS

#### Authority to capitalise and appropriation of capitalised sums

- 36.—(1) Subject to the articles, the directors may, if they are so authorised by an ordinary resolution—  
(a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and

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

(2) Capitalised sums must be applied—

(a) on behalf of the persons entitled, and

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

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

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

(5) Subject to the articles the directors may—

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

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

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

## PART 4

### DECISION-MAKING BY SHAREHOLDERS

#### ORGANISATION OF GENERAL MEETINGS

##### Attendance and speaking at general meetings

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

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

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

(b) that person’s vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

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

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

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

##### Quorum for general meetings

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

### Chairing general meetings

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

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

(a) the directors present, or

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

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

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

### Attendance and speaking by directors and non-shareholders

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

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

(a) shareholders of the company, or

(b) otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting.

### Adjournment

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

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

(a) the meeting consents to an adjournment, or

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

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

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

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

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

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

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

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

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

## VOTING AT GENERAL MEETINGS

### Voting: general

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

### Errors and disputes

43.—(1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

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

### Poll votes

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

(a) in advance of the general meeting where it is to be put to the vote, or

(b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

(2) A poll may be demanded by—

(a) the chairman of the meeting;

(b) the directors;

(c) two or more persons having the right to vote on the resolution; or

(d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.

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

(a) the poll has not yet been taken, and

(b) the chairman of the meeting consents to the withdrawal.

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

### Content of proxy notices

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

(a) states the name and address of the shareholder appointing the proxy;

(b) identifies the person appointed to be that shareholder’s proxy and the general meeting in relation to which that person is appointed;

(c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and

(d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

- (2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- (4) Unless a proxy notice indicates otherwise, it must be treated as—
  - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
  - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

#### Delivery of proxy notices

- 46.—(1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.
- (2) An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- (4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

#### Amendments to resolutions

- 47.—(1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—
  - (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
  - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- (2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—
  - (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- (3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

## PART 5

### ADMINISTRATIVE ARRANGEMENTS

#### Means of communication to be used

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

(2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

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

#### Company seals

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

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

(3) Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

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

(a) any director of the company;

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

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

#### No right to inspect accounts and other records

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

#### Provision for employees on cessation of business

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

### DIRECTORS' INDEMNITY AND INSURANCE

#### Indemnity

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

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

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

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

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

(3) In this article—

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

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

## Insurance

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

(2) In this article—

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

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

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