

THE COMPANIES ACT 2006

WRITTEN RECORD OF RESOLUTION OF THE MEMBERS OF

EDINBURGH ALTERNATIVE FINANCE LIMITED

COMPANY NUMBER: SC468392

(the "Company")

CIRCULATION DATE: 7 January 2015

APPROVAL DATE: 7 January 2015

I, the undersigned, being a director of the above Company hereby note that:

- a. the following resolutions, such resolutions to have effect as special resolutions, were placed before the members of the Company in the form of written resolutions on the Circulation Date; and
- b. the requisite level of consent required to approve the resolutions was obtained by the Company on the Approval Date and therefore the resolutions were duly passed by the sole member of the Company on that date.

SPECIAL RESOLUTIONS

- 1 the 500 ordinary shares of £1.00 each held by Stuart Lunn be converted to 500 A ordinary shares of £0.10 each;
- 2 the 500 ordinary shares of £1.00 each held by William Dobbie be converted to 500 B ordinary shares of £0.10 each; and
- 3 the Company adopt new articles of association in the form of the draft articles of association attached to these written resolutions and signed for the purpose of identification by the Chairman of the meeting in substitution for and to the entire exclusion of the existing articles of association of the Company.



Director



SCT 09/01/2015 #220
COMPANIES HOUSE

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
EDINBURGH ALTERNATIVE FINANCE LIMITED
(as adopted by Special Resolution passed on 7 January 2015)

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THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

EDINBURGH ALTERNATIVE FINANCE LIMITED

(as adopted by Special Resolution passed on 7 January 2015)

1 INTERPRETATION

1.1 Defined Terms

In these Articles, unless the context requires otherwise:

“**Act**” means the Companies Act 2006;

“**Acting in Concert**” shall have the meaning given to it in and shall be construed in accordance with the City Code on Takeovers and Mergers as if it applied in the relevant case;

“**A Ordinary Shares**” means the A Ordinary Shares of £0.10 each in the capital of the Company;

“**Associated Company**” means any holding company or subsidiary company of the Company or any company which is a subsidiary of a holding company of the Company;

“**Auditors**” means the auditors of the Company from time to time;

“**Available Profits**” means profits available for distribution within the meaning of the Act;

“**Bankruptcy**” includes individual insolvency proceedings in a jurisdiction other than Scotland which have an effect similar to that of bankruptcy;

“**B Ordinary Shares**” means the B Ordinary Shares of £0.10 each in the capital of the Company;

“**Capitalised Sum**” has the meaning given to it in Article 16.1.1(b);

“**Chairman**” means the person appointed as chairman of the board of Directors in accordance with Article 5.4;

“Chairman of the meeting” has the meaning given in Article 17.3.3;

“C Ordinary Shares” means the C Ordinary Shares of £0.10 each in the capital of the Company;

“Concert Party” means any person with which any relevant person is Acting in Concert or would be so if the City Code on Takeovers and Mergers applied in the relevant case;

“Connected Person” means connected persons as defined by Sections 1122 and 1123 of the Corporation Tax Act 2010 and any Privileged Relations of these Connected Persons;

“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 15.2.2;

“Eligible Director” means a Director eligible to be counted in a quorum for a Directors’ meeting in respect of a particular matter and to vote on such matter to be considered at a Directors’ meeting;

“Exit” means a Sale, Listing or Winding Up;

“Fair Price” shall be as defined in Article 13.3;

“Family Trust” means in relation to any individual member or deceased individual member a trust (whether arising under a settlement, declaration of trust or other instrument by whomsoever or under a testamentary disposition or on an intestacy) which does not permit any of the settled property or the income therefrom to be applied otherwise than for the benefit of that member and/or a Privileged Relation of that member and under which no power of control is capable of being exercised over the votes of any shares which are the subject of the trust by any person other than the trustees of such trust as trustees or such member or his Privileged Relation;

“FSMA” means the Financial Services and Markets Act 2000;

“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 or credited as paid to the Company;

“Fundraising Valuation” has the meaning given in Article 10.4.1;

“Group” means the Company and each and every company which is from time to time a subsidiary and reference to **“Group Company”** shall be construed accordingly;

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

“Independent Expert” means a partner at a leading UK firm of chartered accountants nominated by the Board acting as an expert and not as an arbiter who shall be engaged on terms to be agreed by the Board;

“Listing” means either: (i) the unconditional granting of permission for any of the Shares to be dealt in an any recognised investment exchange (as defined in section 285 of FSMA) or the AIM market of on the London Stock Exchange; or (ii) the unconditional granting of permission for any of the equity shares of a holding company of the Company formed for the purpose of a listing to be dealt in a any such recognised investment exchange or on the AIM market of the London Stock Exchange;

“Listing Proceeds” means the market value of the Listing Shares determined by reference to the price per share at which such shares are to be offered for sale, placed or otherwise marketed pursuant to the arrangements relating to the Listing, all as determined by the broker or, if none, the merchant bank, investment bank, sponsor or nominated adviser (as the case may be) appointed by the Board to advise in connection with the Listing;

“Listing Shares” means the issued Shares immediately prior to a Listing, excluding any share capital to be subscribed and issued on the Listing other than new Shares to be paid up by way of capitalisation of reserves or arising from any sub-division, consolidation or conversation of Shares;

“member” means a member of the Company;

“New Holding Company” means any new holding company of the Company, formed for the purpose of facilitating a Listing;

“Ordinary Resolution” has the meaning given in Section 282 of the Act;

“Persons Entitled” has the meaning given in Article 16.1.1(b);

“Price” means the price for the sale of Shares as established pursuant to Article 13.2;

“Privileged Relation” means in relation to an individual member or deceased or former individual member the grandparents, parents, spouse or widow or widower of the member and all the lineal descendants of the member and for such purposes a stepchild or adopted child or illegitimate child shall be deemed to be a lineal descendant of such person;

“Proxy Notice” has the meaning given in Article 18.4;

“Relevant Fundraising” means the obtainment by the Company on or before 1 April 2016 of investment funding from persons who are not existing Shareholders of not less than £2,000,000;

“Relevant Shares” means (so far as the same remain for the time being held by any Privileged Relation or the trustees of any Family Trust or by any Transferee Company or by any nominee or bare trustee) the Shares originally acquired by such Privileged Relation or trustees or Transferee Company or nominee or bare trustee and any additional Shares issued to such Privileged Relation or trustees or Transferee Company or nominee or bare trustee by way of capitalisation, subdivision or consolidation or acquired by such person in exercise of any right or option granted or arising by virtue of the holding of the Relevant Shares or any of them or the membership thereby conferred;

“Sale” means the sale of more than 75 per cent in number of the B Ordinary Shares to a single buyer or to one or more buyers as part of a single transaction or series of connected transactions (other than as part of a Solvent Reorganisation);

“Shareholder” means a person who is the Holder of a Share;

“Shares” means shares in the capital of the Company;

“Solvent Reorganisation” means a solvent reorganisation of the Group by any means, including the acquisition of the Company by a New Holding Company, or any other reorganisation involving the Company's share or debt capital (including the deferral, consolidation, subdivision, reclassification or redesignation (as appropriate) of Shares into a single class of ordinary shares) in preparation for an Exit.

“Special Resolution” has the meaning given in Section 283 of the Act;

“Transfer Notice” has the meaning given in Article 13.1; and

“Transmittee” means a person entitled to a Share by reason of the death or Bankruptcy of a Shareholder or otherwise by operation of law.

1.2 Construction

- 1.2.1 References to a document being executed include references to its being executed under hand or under seal or by electronic signature or by any other method and references to a document or instrument include references to any information in visible form whether having physical substance or not.

- 1.2.2 References to writing include references to any visible substitute for writing, including by way of an electronic communication, and to anything partly in one visible form and partly in another visible form.
- 1.2.3 Words denoting the singular number include the plural number and *vice versa*; words denoting the masculine gender include the feminine gender; and words denoting persons include any company, corporate body, partnership, firm, government authority or society (whether incorporated or not).
- 1.2.4 Unless the context otherwise requires, words or expressions contained in these Articles which are not defined in Article 1.1 but are defined in the Act have the same meaning as in the Act (but excluding any modification of the Act not in force at the date of adoption of these Articles).
- 1.2.5 Subject to the preceding paragraph, references to any provision of any enactment or of any subordinate legislation include any modification or re-enactment of that provision for the time being in force.
- 1.2.6 Headings are inserted for convenience only and do not affect the construction of these Articles.
- 1.2.7 References to any Scottish legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any other legal concept shall, in respect of any jurisdiction other than Scotland, be deemed to include the legal concept which is most nearly approximates in that jurisdiction to the Scottish legal term.

- 1.3 These Articles exclude the model articles prescribed by the Companies (Model Articles) Regulation 2008.

2 LIMITATION OF LIABILITY

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

3 DIRECTORS' POWERS AND RESPONSIBILITIES

3.1 Directors' general authority

Subject to these Articles, the Directors are responsible for the management of the Company's business and the Directors may exercise all the powers of the Company.

3.2 Shareholders' reserve power

- 3.2.1 The Shareholders may, by Special Resolution, direct the Directors to take, or refrain from taking, specified action or actions.
- 3.2.2 No Special Resolution directing the Directors to take or refrain from taking a specified action or specified actions shall invalidate anything done by the Directors, before the passing of the Special Resolution, which would have otherwise be valid.

3.3 Directors may appoint agents

Subject to these Articles, the Directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company on such terms and conditions as the Directors determine, including authority for the agent to delegate all or any of his powers and the Directors may at any time revoke any appointment in whole or in part.

3.4 Directors may delegate

- 3.4.1 Subject to these Articles, the Directors may delegate any of the powers which are conferred on them under these Articles to any committee consisting of one or more Directors or to any Director holding any executive office.
- 3.4.2 Unless the Directors specify otherwise, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated to any employee or agent of the Company.
- 3.4.3 Any delegation may be made subject to such terms and conditions as the Directors may specify and the Directors may at any time revoke any delegation in whole or part, or alter its terms and conditions.

3.5 Committees

- 3.5.1 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 these Articles which govern the taking of decisions by Directors.
- 3.5.2 The Directors may make rules of procedure for all or any committees, which prevail over rules derived from these Articles if they are not consistent with them.
- 3.5.3 The Directors may co-opt persons other than Directors on to any committee. Any such co-opted person may enjoy voting rights in the

committee. The co-opted persons shall be less than one half of the total membership of the committee and a resolution of any committee shall be effective only if a majority of the members present are Directors.

3.6 Offices including the title “Director”

The Directors may appoint any person to any office or employment having a designation or title including the word “Director” or attach such a designation or title to any existing office or employment with the Company and may terminate any such appointment or the use of any such designation or title. The inclusion of the word “Director” in the designation or title of any such office or employment shall not imply that the holder is a Director of the Company, and the holder shall not thereby be empowered in any respect to act as, or be deemed to be, a Director of the Company for any of the purposes of these Articles.

3.7 Borrowing powers

The Directors may exercise all the powers of the Company to borrow money without limit as to amount, upon such terms and in such manner as they think fit, and to grant any mortgage, charge or standard security over the undertaking, property and uncalled capital of the Company or any part thereof.

4 DECISION MAKING BY DIRECTORS

4.1 Directors to take decisions collectively

4.1.1 Any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 4.2.

4.1.2 If the Company only has one Director, Article 4.1.1 does not apply, and the sole Director may take decisions without regard to any of the provisions of these Articles relating to Directors’ decision-making.

4.2 Unanimous decisions

4.2.1 A decision of the Directors is taken in accordance with this Article 4.2 when all Eligible Directors unanimously agree on such a decision.

4.2.2 Such a decision shall take the form of a resolution in writing, a copy of which have been signed by each Eligible Director, or several copies of which has been signed by one or more Eligible Directors, or to which each Eligible Director has otherwise indicated agreement in writing.

4.2.3 References in these Articles 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.

- 4.2.4 A decision may not be taken in accordance with this Article 4.2 if the Eligible Directors would not have formed a quorum at a Directors' meeting convened to consider the decision.

4.3 Records of decisions to be kept

The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the relevant date of all proceedings at Directors' meetings and of committees of Directors (including the names of the Directors present at each such meeting) and of all decisions otherwise made or considered by Directors.

4.4 Directors' discretion to make further rules

Subject to these 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.

5 DIRECTORS' MEETINGS

5.1 Calling a Directors' meeting

- 5.1.1 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.

- 5.1.2 Notice of any Directors' meeting must indicate:

- (a) its proposed date and time;
- (b) where it is to take place;
- (c) the agenda of the business to be transacted (together with, where practicable, all papers relating to the business to be considered); and
- (d) 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.

- 5.1.3 Save where urgent business arises and such period of notice is impracticable, a minimum of seven days notice of a Directors' meeting must be given to each Director and shall be in writing.

- 5.1.4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice in writing of that meeting, by giving notice to that effect to the Company prior to the date of the meeting or 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.

5.2 Participation in Directors' meetings

5.2.1 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 these 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.

5.2.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other, provided that all parties participating in the Directors' meeting can speak to and be heard by all those participating in the meeting simultaneously.

5.2.3 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.

5.3 Quorum for Directors' meetings

5.3.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

5.3.2 The minimum quorum for Directors' meetings shall, subject to Article 5.3.3, be two Eligible Directors.

5.3.3 Where the Company has a sole Director or only one Director is eligible to be counted in the quorum and vote on a matter, the quorum is one.

5.4 Chairing of Directors' meetings

5.4.1 The Directors may appoint a Director to chair their meetings.

5.4.2 The person so appointed for the time being is known as the Chairman.

5.4.3 The Directors may terminate the Chairman's appointment at any time.

5.4.4 If no Chairman is at that time appointed, or the Chairman is unwilling to preside at a meeting or the Chairman is not present within ten minutes of

the time at which a Directors' meeting was to start, the Directors present shall appoint one of themselves to be the chairman of the meeting.

5.5 Chairman's casting vote

If the number of votes cast by Eligible Directors for and against a proposal at a Directors' meeting are equal, the Chairman or other Director chairing a Directors' meeting shall not have an additional casting vote.

6 DIRECTOR'S INTERESTS

6.1 Disclosure of Director's Interests

6.1.1 Subject to the provisions of the Act and provided he has in accordance with the Act disclosed to the Directors the nature and extent of any direct or indirect interest of his, a Director notwithstanding his office:

- (a) may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is any way interested;
- (b) may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested;
- (c) may (and any firm or company or limited liability partnership of which he is a partner or member or director may) act in a professional capacity for the Company or any body corporate in which the Company is in any way interested;
- (d) shall not by reason of his office be accountable to the Company for any benefit which he derives from such office, service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and
- (e) shall be entitled to vote and be counted in the quorum on any matter set out in this Article.

6.2 Director's Conflict of Interest

6.2.1 The Directors may (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right

to vary or terminate such authorisations) authorise, to the fullest extent permitted by law:

- (a) any matter which would otherwise result in a Director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including conflict of interest and duty or conflict of duties);
- (b) a Director to accept or continue in any office, employment or position in addition to his office as a Director and without prejudice to Article (a) may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises,

provided that for this purpose the Director in question and any other interested Director are not counted in the quorum at any Directors' meeting at which such matter, or such office, employment or position, is approved and it is agreed to without their voting or would have been agreed to if their votes had not been counted.

6.2.2 If a matter, or office, employment or position, has been authorised by the Directors in accordance with Article 6.2 then:

- (a) the Director shall not be required to disclose any confidential information relating to such matter, or such office, employment or position, to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment or position;
- (b) the Director may absent himself from Directors' meetings at which anything relating to that matter, or that office, employment or position, will or may be discussed; and
- (c) the Director may make such arrangement as such Director thinks fit for Directors' meeting and committee papers to be received and read by a professional adviser on behalf of that Director.

6.2.3 A Director shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any matter, or from any office, employment or position, which has been approved by the Directors under Article 6.2 (subject always in any such case to any limits or conditions to which such approval was subject).

6.2.4 Article 6.2 is without prejudice to the operation of Article 6.1.

7 APPOINTMENT OF DIRECTORS

7.1 Methods of appointing Directors

7.1.1 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.

7.1.2 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.

7.1.3 For the purposes of Article 7.1.2, where two 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.

7.2 Number of Directors

The maximum number and minimum number respectively of the Directors may be determined from time to time by Ordinary Resolution. Subject to and in default of any such determination, there shall be no maximum number of Directors and the minimum number of Directors shall be two.

7.3 Retirement by rotation

The Directors shall not be required to retire by rotation.

7.4 Appointment of Director

7.4.1 No person shall be appointed as a Director by Ordinary Resolution unless either:

- (a) he is recommended by the Directors; or
- (b) seven days prior to the circulation of the relevant written resolution or the notice of general meeting to Shareholders, notice signed by a Shareholder qualified to vote on the Ordinary Resolution has been given to the Company of the identity of the person proposed to be appointed as a Director together with notice signed by that person of his willingness to be appointed.

7.5 Termination of Director's appointment

7.5.1 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 Act or is prohibited from being a director by law;
- (b) a Bankruptcy order is made against that person;
- (c) an arrangement or 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) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or
- (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.

7.5.2 A body corporate ceases to be a Director as soon as:

- (a) an order is made by a court of competent jurisdiction, or a resolution is passed, for the winding up, liquidation, dissolution or administration of that Director (otherwise than in the course of a solvent reorganisation or restructuring); or
- (b) any step is taken (and not withdrawn within 30 days) to appoint a manager, receiver, administrative receiver, administrator, trustee or other similar officer to that Director; or
- (c) that Director convenes a meeting of its creditors or makes or proposes any arrangement or composition with, or any assignment for the benefit of, its creditors (otherwise than in the course of a solvent restructuring).

7.6 Directors' remuneration

7.6.1 Directors may undertake any services for the Company that the Directors decide.

7.6.2 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.

7.6.3 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 and any member of his family (including a spouse and a former spouse).

7.6.4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.

7.6.5 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.

7.7 Directors' expenses

7.7.1 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.

8 ALTERNATE DIRECTORS

8.1 Appointment and removal of alternates

8.1.1 Any Director (the "**Appointor**") may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to:

- (a) exercise that Director's powers; and

(b) carry out that Director's responsibilities,

in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor.

8.1.2 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.

8.1.3 The notice must:

(a) identify the proposed alternate; and

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

8.2 Rights and responsibilities of alternate director

8.2.1 An alternate director has the same rights, in relation to any Directors' meeting or Directors' written resolution, as the alternate's Appointor.

8.2.2 Except as these Articles specify otherwise, alternate directors:

(a) are deemed for all purposes to be Directors;

(b) are liable for their own acts and omissions;

(c) are subject to the same restrictions as their Appointors; and

(d) are not deemed to be agents of or for their Appointers.

8.2.3 A person who is an alternate director but not a Director:

(a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating); and

(b) may sign a written resolution (but only if it is not signed or to be signed by that person's Appointor).

8.2.4 No alternate director may be counted as more than one Director for the purposes set out in Article 8.2.3.

8.2.5 An alternate director is not 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.

8.3 Termination of alternate directorship

8.3.1 An alternate director's appointment as an alternate terminates:

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

9 SHARES AND DISTRIBUTIONS

9.1 Share Capital

The share capital of the Company shall consist of A Ordinary Shares, B Ordinary Shares and C Ordinary Shares.

9.2 All shares to be fully paid up

- 9.2.1 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.
- 9.2.2 This does not apply to Shares taken on the formation of the Company by the subscribers to the Company's memorandum.

9.3 Powers to issue different classes of share

- 9.3.1 Subject to these 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 Special Resolution.
- 9.3.2 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, on such terms and in such manner as may be determined by these Articles or as the Company may by Special Resolution determine.

9.4 Purchase of own shares

Subject to the provisions of the Act, the Company shall be entitled to make a purchase or redemption of its own shares out of cash, provided that the amount of cash used for such purchase or redemption shall not exceed the sum prescribed by law.

9.5 Allotment of Shares

The Directors are generally and unconditionally authorised in accordance with Section 551 of the Act to exercise all the powers of the Company to offer, allot, grant options over Ordinary Shares and/or rights to subscribe for or convert securities into Ordinary Shares or otherwise dispose of any Ordinary Shares up to an aggregate nominal value of £10,418,314 to such persons, at such times and for such consideration as the Directors may determine but so that no Ordinary Share shall be issued in contravention of Section 553 of the Act. This authority shall, unless revoked or varied in accordance with Section 551 of the Act, expire five years from the date of the adoption of these Articles, but without prejudice to any offer or agreement made before that anniversary which would or might require the exercise by the Directors after such anniversary of their powers in pursuance of the said authority. Section 550 of the Act shall not apply to the Company.

9.6 Procedure for Allotment of Shares

Shares shall only be allotted, whether for cash or otherwise, in accordance with the provisions of this Article or on such other terms as may be specified by Special Resolution:

- 9.6.1 all Shares to be allotted (the “**Offer Shares**”) shall first be offered to the existing Shareholders in proportion (as nearly as reasonably practicable) to the number of Shares held by them (the “**Initial Offer**”);
- 9.6.2 the Initial Offer shall be made by written notice (the “**Offer Notice**”) from the Directors specifying the number and price of the Offer Shares and the proportionate entitlement of the relevant member and shall invite each member to state in writing within a period not being less than 14 days whether they are willing to accept any Offer Shares and if so what the maximum number of the Offer Shares they are willing to accept is. In the event that a member does not so respond to the Offer Notice within the period prescribed in it, the Initial Offer shall be deemed to be declined by that member;
- 9.6.3 on the earlier of receipt of a response from each Shareholder or the expiration of the time specified for acceptance in the Offer Notice, the Directors shall offer the Offer Shares which have been declined or are deemed to be declined to each of the members who shall have within the

period specified in the Offer Notice expressed their willingness to purchase all of the Offer Shares offered to them (the "**Further Offer**"). Such Further Offer shall be made on the same terms as the Initial Offer and shall invite each such member to state in writing within a period not being less than 14 days whether they are willing to accept any, and if so what maximum number, of the Offer Shares so offered;

- 9.6.4 on the earlier of receipt of a response from each Shareholder or the expiration of the time specified for acceptance in the Offer Notice or Further Offer (as applicable) the Directors shall allot the Offer Shares to or amongst the Shareholders who shall have notified to the Directors their willingness to take any of the Offer Shares but so that no member shall be obliged to take more than the maximum number of Shares notified by him under Articles 9.6.2 and 9.6.3;
- 9.6.5 in the event of competition for any Offer Shares to which Article 9.6.3 applies then such Shares shall be allocated amongst the competing members pro rata to their holdings of Shares prior to commencement of the Initial Offer;
- 9.6.6 the Directors shall make such arrangements as they in their discretion shall think fit concerning entitlement to fractions of shares, overseas members and members unable by law or regulation to receive or accept any offer pursuant to this Article 9.6;
- 9.6.7 subject to the provisions of this Article and Section 551 of the Act the Directors shall be entitled to dispose of any Shares that remain unissued following an Initial Offer and Further Offer to such persons on such terms and in such manner as they think fit save that such Shares shall not be disposed of on terms which are more favourable to the subscribers thereof than the terms on which they were offered to the members pursuant to the Initial Offer and the Further Offer and declined by them and such disposal must take place within six months of the date of the Offer Notice in respect of such Shares.

9.7 Dissapplication of Section 561

In accordance with Section 570 of the Act, the provisions of Section 561 of the Act shall not apply to the Company.

9.8 No Renunciation of Allotment

No Shares shall be allotted on terms that the right to take up the Shares allotted may be renounced in favour of, or assigned to, another person and no person entitled to allotment of a Share may direct that such Share may be allotted or issued to any other person.

9.9 Class Rights

- 9.9.1 The class rights attaching to any class of shares (a “**Relevant Class**”) may be varied or abrogated either with the consent in writing of the holders of at least 75 per cent in nominal value of the Relevant Class who would have been entitled to vote at a separate meeting of the holders of the Relevant Class or with the sanction of a special resolution passed at a separate class meeting of the holders of the Relevant Class. Any variation or abrogation which does not affect the class rights attaching to the Relevant Class shall not require such consent.
- 9.9.2 Unless otherwise expressly provided by the terms of their issue, the rights attaching to any class of shares shall not be deemed to be varied or abrogated by:
- (a) the creation, allotment or issue of further shares, or securities convertible into shares, ranking subsequent to, *pari passu* with, or in priority to them, or the issue of any debt securities by any Group Company, or the purchase or redemption by the Company of its own shares in accordance with the Act; or
 - (b) any alteration to these Articles made conditional upon, or otherwise in connection with, a Sale, a Listing, or a Solvent Reorganisation.

9.10 Trusts may be recognised

Except as required by law or as otherwise provided by these Articles, the Company shall not 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. The Company shall, however, be entitled to register trustees as such in respect of any Shares.

9.11 Share certificates

- 9.11.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds and upon transferring a part of his holding of Shares of any class the Company shall issue to such Shareholder, free of charge, a certificate in respect of the balance of the Shares held.
- 9.11.2 Every certificate must specify:
- (a) in respect of how many Shares, and of what class, it is issued;
 - (b) the nominal value of those Shares; and

- (c) that the Shares are Fully Paid (with the exception of any Shares issued to the subscribers to the Company's memorandum as nil or partly paid).

9.11.3 No certificate may be issued in respect of Shares of more than one class.

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

9.11.5 Certificates must:

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

9.12 Replacement share certificates

9.12.1 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.

9.12.2 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.

10 SHARE RIGHTS

The rights attaching to the Shares are as follows:

10.1 Dividend Rights

Any Available Profits which the Company may determine to distribute in respect of any financial year shall be distributed:

10.1.1 to the holders of C Ordinary Shares, as to a percentage equal to the percentage which the number of C Ordinary Shares held bears to the entire issued share capital of the Company, provided that if the aggregate number of A Ordinary Shares and B Ordinary Shares in issue is less than 9,376,482, it shall be assumed for the purposes of this Clause 10.1.1 that there is an aggregate of 9,376,482 A Ordinary Shares and B Ordinary Shares in issue; and

10.1.2 as to the remainder following payment to the holders of C Ordinary Shares in accordance with Clause 10.1.1:

(a) following a Relevant Fundraising in respect of which the Fundraising Valuation was at least £4,000,000, as agreed or determined in accordance with Article 10.4, as to 50 per cent to the holders of A Ordinary Shares, and as to 50 per cent to the holders of B Ordinary Shares; or

(b) at any other time, amongst the holders of the A Ordinary Shares and B Ordinary Shares (*pari passu* as if the same constituted one class of share) according to the number of such Shares held by the relevant Shareholder at the relevant time.

10.2 Exit

10.2.1 On a Sale, the proceeds shall be allocated and paid to Shareholders in the same proportions as a dividend would have been payable in accordance with Article 10.1.

10.2.2 Immediately prior to, and conditional on, a Listing, the Shareholders shall enter into such reorganisation of the share capital as they may agree to ensure that the Listing Proceeds are allocated between the Shareholders in the same proportions as a dividend would have been payable in accordance with Article 10.1.

10.2.3 On a distribution of assets of the Company to its members on a winding up or other return of capital (other than a redemption or purchase by the Company of its own Shares), the assets of the Company available for distribution among the members shall be applied in the same proportions as a dividend would have been payable in accordance with Article 10.1.

10.3 Voting

The voting rights attached to each class of Shares shall be as set out in this Article:

- 10.3.1 the holders of A Ordinary Shares and B Ordinary Shares shall be entitled to receive notice of and to attend and speak at any general meetings of the Company;
- 10.3.2 on a show of hands, every qualifying person (as defined in section 318(3) of the Act) present shall, subject to section 323(4) of the Act, have one vote;
- 10.3.3 on a poll, each Shareholder 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 each Share of which he is the Holder, provided that the total number of votes of B Ordinary Shareholders shall be increased or decreased proportionately (as applicable) such that the A Ordinary Shares as a class and the B Ordinary Shares as a class shall each entitle their Holders to an aggregate of fifty per cent of the voting rights; and
- 10.3.4 holders of C Ordinary Shares shall not be entitled to receive notice of, or to attend or vote at, any general meeting of the Company by virtue of their holdings of C Ordinary Shares.

10.4 Fundraising Valuation

- 10.4.1 The “**Fundraising Valuation**” shall be the market value of the Company immediately prior to a Relevant Fundraising as agreed between the Shareholders within 10 Business Days following the Relevant Fundraising or, in default of such agreement, as determined by an Independent Expert pursuant to Article 10.4.2.
- 10.4.2 If the Fundraising Valuation falls to be determined by an Independent Expert:
 - (a) the Company shall within 15 Business Days of the Relevant Fundraising instruct the Independent Expert to determine the Fundraising Valuation;
 - (b) the Independent Expert shall certify the Fundraising Valuation as soon as possible after being instructed by the Company and, in so determining, the Independent Expert shall be deemed to be acting as an expert and not as an arbitrator;
 - (c) the certificate of the Independent Expert shall, in the absence of manifest error, be final and binding; and
 - (d) the Company shall procure that any certificate required hereunder is obtained with due expedition and the cost of obtaining such certificate

shall be borne by the Company unless (i) such an arrangement would not be permitted by the Act; (ii) the Fundraising Valuation as determined by the Independent Expert is less than 90 per cent of the price (if any) which the holders of B Ordinary Shares had previously notified to the holders of A Ordinary Shares as being in its opinion the Fundraising Valuation, in which event the cost shall be borne by the holders of A Ordinary Shares; or (iii) the Fundraising Valuation as determined by the Independent Expert is more than 110 per cent of the price (if any) which the holders of A Ordinary Shares had previously notified to the holders of B Ordinary Shares as being in its opinion the Fundraising Valuation, in which event the cost shall be borne by the holders of B Ordinary Shares.

11 TRANSFER OF SHARES

11.1 Share transfers

11.1.1 Subject to the provisions of these Articles, 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 and when lodged for registration shall be accompanied by the relevant share certificate and such other evidence (if any) as the Directors may require to prove the title of the intending transferor.

11.1.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share.

11.1.3 The Company may retain any instrument of transfer which is registered.

11.1.4 The transferor remains the Holder of a Share until the transferee's name is entered in the register of members as Holder of it.

11.2 Prohibited transfers

11.2.1 Any person who holds, or becomes entitled to, any Share shall not effect a transfer of such Shares, except in accordance with Article 12 (*Permitted Transfers*), Article 13 (*Pre-Emption Rights*) or Article 14 (*Tag Along*).

11.2.2 The reference in Article 11.2.1 to the transfer of a Share shall mean the transfer of either or both of the legal and beneficial ownership in such Share and/or the grant of an option to acquire either or both of the legal and beneficial ownership in such Share and the following shall be deemed (but without limitation) to be a transfer of a Share:

- (a) any direction (by way of renunciation or otherwise) by a Shareholder entitled to an allotment or issue of any Share that such Share be allotted or issued to some person other than himself;
- (b) any sale or other disposition of any legal or equitable interest in a Share (including any voting right attached thereto) and whether or not by the registered holder thereof and whether or not for consideration or otherwise and whether or not effected by an instrument in writing;
- (c) any grant of a mortgage or charge or encumbrance over any Share; and
- (d) any agreement, whether or not subject to any condition to do any of the matters set out in paragraphs 11.2.2 (a); (b); or (c).

11.3 Refusal to register

The Directors shall refuse to register any transfer of Shares in contravention of the provisions of these Articles but shall not otherwise be entitled to refuse to register any transfer of Shares, unless they have substantial reasons for believing that a transfer purportedly made in accordance with any such provision is not in fact in a material respect in accordance therewith, in which event they shall decline to register such transfer.

11.4 Provision of information

For the purposes of ensuring that a particular transfer of Shares is permitted under the provisions of these Articles and duly authorised hereunder or that no circumstances have arisen whereby a Transfer Notice is or may be deemed to have been given hereunder or for the purposes of ascertaining whether any relevant provisions of these Articles apply, the Directors may require any member, the representative of any member appointed pursuant to Section 323 of the Act, the receiver, administrator, administrative receiver or the liquidator of any corporate member or any person named as transferee in any transfer lodged for registration, to furnish the Directors with such information and evidence as the Directors think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the Directors within a period of 28 days after such request the Directors shall be entitled to refuse to register the transfer in question or (in a case where no transfer is in question) shall by notice in writing deem that a Transfer Notice be given in respect of the Shares concerned.

12 PERMITTED TRANSFERS

12.1 Permitted transfers

Any Shares may at any time be transferred without the giving of a Transfer Notice under Article 13.1 where the transfer is demonstrated to the reasonable satisfaction of the Directors, to be:

- 12.1.1 by any individual member (not being, in relation to the Shares concerned, a Holder thereof as a trustee of any Family Trust or a nominee or bare trustee) to a Privileged Relation of such member; or
- 12.1.2 by any individual member (not being, in relation to the Shares concerned, a Holder thereof as a trustee of any Family Trust or a nominee or bare trustee) to be held upon a Family Trust related to such individual member; or
- 12.1.3 by any member being a Company (not being in relation to the Shares concerned a Holder thereof as a trustee of any Family Trust or a nominee or bare trustee) to a Member of the Same Group as the Transferor Company; or
- 12.1.4 by a Beneficial Shareholder to a person as the nominee of, or bare trustee for, that Beneficial Shareholder and by any such nominee or bare trustee to such Beneficial Shareholder or to another nominee or bare trustee for such Beneficial Shareholder.

12.2 Family Trusts

Where Shares are held by trustees of a Family Trust, the trustee and their successors in office may (subject to the provisions of Article 12.1) transfer all or any of the Relevant Shares without the giving of a notice under Article 13.1 as follows:

- 12.2.1 to the trustees for the time being of the Family Trust concerned on any change of trustees;
- 12.2.2 to the trustees for the time being of any other trust being a Family Trust in relation to the same individual member or deceased or former member; and
- 12.2.3 to the relevant member or former member who made the original transfer permitted pursuant to Article 12.1 or any Privileged Relation of such relevant member or deceased or former member.

12.3 Cessation of permitted transfer relationship

If following any transfer of Shares permitted pursuant to this Article 12:

- 12.3.1 any person to whom Shares are transferred as a Privileged Relation ceases to be a Privileged Relation of the relevant member or former or deceased member;
- 12.3.2 any of the Relevant Shares come to be held otherwise than upon a Family Trust related to the relevant member or former or deceased member;
- 12.3.3 a Transferee Company ceases to be a Member of the Same Group as the Transferor Company;
- 12.3.4 any person to whom Shares are transferred as a nominee or bare trustee ceases to hold any of the Relevant Shares absolutely on behalf of the relevant Beneficial Shareholder,

in each case other than as permitted by or in accordance with the provisions of these Articles it shall be the duty of the relevant member and the former Holder of the Relevant Shares to notify the Directors in writing that such event has occurred. Within three months of service of such notice or the date on which the Directors otherwise become aware that such event has occurred (unless the Relevant Shares are transferred within six weeks of the occurrence of such event to the relevant member or former Holder of the Relevant Shares or to any person to whom a transfer of Shares by such relevant member or former Holder of the Relevant Shares would be permitted pursuant to this Article 12, any such transfer being deemed to be authorised under the foregoing provisions of this Article 12) the Directors shall be entitled to determine that the trustees of the former Family Trust, the former Privileged Relation, the Transferee Company or the former nominee or bare trustee (as the case may be) shall be deemed to have given a Transfer Notice in respect of the Relevant Shares.

13 **PRE-EMPTION RIGHTS**

13.1 **Transfer notice**

Save as otherwise provided in these Articles, any Shareholder wishing to transfer part or all of the Shares held by him (the “**Transferor**”) shall first give a notice in writing (a “**Transfer Notice**”) to the Company specifying the number of such Shares which the Transferor wishes to sell (the “**Sale Shares**”) and, in the event that the Transferor shall have reached an agreement or an arrangement with a third party for a sale of the Sale Shares to such third party, the Transferor shall state in the notice the name of such third party, the price per Share at which the Sale Shares are proposed to be sold to such third party and all other material terms of the proposed transfer. A Transfer Notice shall constitute the Company (acting through the Directors) as the agent of the Transferor for the sale of the Sale Shares at the Price (such price to be determined in accordance with the provisions of Article 13.2).

13.2 Determination of the price

The expression **"Price"** shall mean in respect of each Sale Share:

13.2.1 the price per Share (if any) specified in the Transfer Notice in accordance with the foregoing provisions; or

13.2.2 if:

- (a) the relevant Transfer Notice does not name a purchaser and set out a price per Share at which the Sale Shares are proposed to be sold to him; or
- (b) such named purchaser is a Connected Person of or Concert Party with the Transferor; or
- (c) the terms on which such Sale Shares are to be sold to the named purchaser do not fully reflect the terms of the proposed transaction or are otherwise than a fixed cash sum payable in full on completion of the sale (for example, because the consideration is to be satisfied otherwise than in cash or because some deduction, consideration, rebate, allowance or arrangement is being made or is passing between the Transferor and the named purchaser in addition to the price per Share set out in the Transfer Notice),

the Fair Price.

13.3 The **"Fair Price"** shall be such price as the Transferor and the Board shall agree within 10 Business Days of the date of the Transfer Notice or, failing such agreement, such price as the Auditors (or, if the Auditors are unable or unwilling to act for any reason, an Independent Expert) shall determine pursuant to Article 13.4.

13.4 If the Fair Price falls to be determined by the Auditors (which expression shall, for the purposes of this Article 13.4, be deemed to include a reference to the Independent Expert if the Fair Price falls to be determined by an Independent Expert in accordance with Article 13.3):

13.4.1 the Company shall immediately instruct the Auditors to determine the Fair Price on the basis which, in their opinion, represents a fair price for the Sale Shares on the date on which the Transfer Notice is given or deemed to be given, as between a willing seller and a willing buyer and on a going concern basis (provided that this is the case) and, in making such determination, the Auditors shall take into account:

- (a) the economic rights attaching to the Sale Shares;

- (b) the fact that the Shares are not quoted on any Recognised Stock Exchange;
- (c) the group turnover, future and actual cash generation, current and future profitability and growth prospects of the Group;
- (d) any unencumbered and freely transferable cash balances and marketable securities owned by the Company and any other Group Company;
- (e) all borrowings, guarantees and any other actual or contingent liabilities of the Company and any other Group Company;
- (f) the value and existence of any minority interests in any Group Company;
- (g) the market value of other companies of a similar size operating in similar markets in Europe to the Company (taking into account all other factors in this Article 13.4.1); and
- (h) the initial purchase price or subscription price of the Sale Shares (which shall be deemed to have been the Fair Price as at the date of such purchase or subscription),

but shall take no account of:

- (a) whether the Sale Shares comprise a majority or minority interest in the Company; or
- (b) the fact that the transferability of the Sale Shares is restricted by these Articles.

13.4.2 the Auditors shall certify the Fair Price as soon as possible after being instructed by the Company and, in so certifying, the Auditors shall be deemed to be acting as experts and not as arbitrators;

13.4.3 the certificate of the Auditors shall, in the absence of manifest error, be final and binding; and

13.4.4 the Company shall procure that any certificate required hereunder is obtained with due expedition and the cost of obtaining such certificate shall be borne by the Company unless (i) such an arrangement would not be permitted by the Act, (ii) the Fair Price as determined by the Auditors is less than 120 per cent of the price (if any) which the Company had previously notified to the Transferor as being in its opinion the Fair Price (or, if the price which the Company had previously notified was zero, the

Fair Price as determined by the Auditors is not more than 10 per cent of the Issue Price of such Shares), in which event the cost shall be borne by the Transferor, or (iii) the cost is to be borne by the Transferor in accordance with Article 13.6.

13.5 Total transfer provision

A Transfer Notice once given or a Transfer Notice once deemed to be given shall not be revocable but, save for Shares sold pursuant to a Transfer Notice deemed or required to be given under these Articles, the Transfer Notice may contain a provision (a "**Total Transfer Provision**") that unless all or a specified number of the Sale Shares are sold by the Company pursuant to Article 13 none shall be sold and the Transfer Notice shall in such circumstances be treated as withdrawn. Any such provision shall be binding on the Company.

13.6 Withdrawal of Transfer Notice

If the Auditors are asked to certify the Fair Value as aforesaid their certificate shall be delivered to the Company and as soon as the Company receives the certificate it shall provide a certified copy of it to the Transferor and the Transferor shall be entitled, by notice in writing to the Company within seven days of the service upon him of the certified copy, to cancel the Company's authority to sell the Sale Shares. In such circumstances the cost of obtaining the certificate shall be borne by the Transferor.

13.7 More than one Transfer Notice

In the event that more than one Transfer Notice is served, or deemed to be served, by a Transferor, an offer made pursuant to this Article 13 (if not accepted in respect of all Shares to which all of the Transfer Notices relate) may only be accepted in respect of the Shares comprised in each Transfer Notice according to the ratio which the aggregate number of Shares so accepted bears to the aggregate number of Shares comprised in all the Transfer Notices.

13.8 Offer of Sale Shares

Within 14 days of the date that the Transfer Notice is received by the Company or the date the Transfer Notice is deemed to have been given or within seven days after the Price of the Shares is determined pursuant to Article 13.2, whichever is the later, (and provided the Transfer Notice has not been withdrawn pursuant to Article 13.6) the following provisions shall apply:

- 13.8.1 The Sale Shares shall be offered to the holders of A Ordinary Shares and B Ordinary Shares (other than the Transferor) in a proportion which is as nearly as practicable equal to their existing holdings of Shares excluding any Shares held by the Transferor (calculated as at the date immediately

prior to the date of the Members' Offer Notice, as defined below), without involving fractions. Such offer shall be made by notice in writing (the "Members' Offer Notice") which shall:

- (a) state the Price;
- (b) state the number of Sale Shares, the proportionate entitlement of each member and the method of calculating such entitlement;
- (c) state whether the Sale Shares are subject to a Total Transfer Provision and whether the Transfer Notice relating to the Sale Shares was required or deemed to be given; and
- (d) invite each member to state in writing within a period being not less than 14 days nor more than 21 days after the date of the Members' Offer Notice whether they are willing to accept the Sale Shares offered to them and if so what the maximum number of such Sale Shares they are willing to take is. For the purpose of this Article an offer shall be deemed to be accepted on the day on which the acceptance is received by the Company and an offer shall to the extent that the same is not accepted within the aforementioned time limit be deemed to have been declined by any members who have not replied in writing and the offer to that particular member shall be treated as withdrawn by the Company.

13.8.2 Any Sale Shares which have not been accepted within the time period specified in Article 13.8.1(d) shall, within seven days of the expiry of the time period specified in Article 13.8.1(d), be offered by notice in writing at the Price to each of the members who have accepted all the Sale Shares initially offered to them (the "Further Offer Members"). Such notice shall invite the Further Offer Members to state in writing within a period of seven days whether they are willing to accept any Sale Shares and if so what the maximum number of Sale Shares they are willing to take is. In the event of competition among the Further Offer Members for Sale Shares to which this Article 13.8.2 applies then such Shares shall be allocated amongst the competing Further Offer Members pro rata to their holdings of the relevant Shares calculated as at the date immediately prior to the date of the Members' Offer Notice.

13.9 Notification of Purchasers

If the Company shall find purchasers in respect of any of the Sale Shares within the relevant offer periods set out in Article 13.8, it shall not later than seven days after the expiry of the relevant offer periods set out in Article 13.8 give notice in writing thereof (the "Sale Notice") to the Transferor which notice shall provide:

- 13.9.1 the number of Sale Shares accepted and the name(s) and address(es) of the purchasers, together with the number of Shares purchased by each purchaser;
- 13.9.2 if the Transfer Notice contains a Total Transfer Provision, that the Transfer Notice is revocable by written notice to the Company being received within seven days of receipt of the Sale Notice (if not all the Sale Shares have been accepted); and
- 13.9.3 if the Transferor is entitled to do so and does not revoke his Transfer Notice in writing within the period specified Article 13.9.2 or if the Transferor is not entitled to revoke the Transfer Notice, that he shall be bound upon payment of the Price due in respect of all the Sale Shares to transfer the Sale Shares (or such of the same for which the Company shall have found a purchaser or purchasers) to the purchaser or purchasers.

The purchase shall be completed within 14 days of the date of the Sale Notice at a place and time to be appointed by the Directors when, against payment of the Price and any relevant stamp duties, the Transferor shall deliver transfers in favour of the purchaser(s) together with the share certificates in respect of the relevant Sale Shares or an indemnity in respect of a lost share certificate in favour of the Company on terms acceptable to the Directors and the purchaser(s) shall be registered as the Holders of the relevant Sale Shares in the register of members of the Company and share certificates in the names of such purchaser(s) and in respect of the relevant Sale Shares shall be delivered to the relevant purchaser(s).

13.10 Purchasers not found for the Sale Shares

If the Company shall not find purchasing member(s) for all of the Sale Shares within the relevant time periods specified in Article 13.8, or if through no default of the Transferor the purchase of any of the Sale Shares is not completed within the time period specified in Article 13.9, the Transferor may within three months after the expiry of such relevant time period transfer such of the Sale Shares as were not sold or in respect of which the sale was not completed as aforesaid or, in any case where the Transfer Notice contained a Total Transfer Provision which is not revoked, all of the Sale Shares to any person by way of a bona fide sale at the Price or any higher price and otherwise on the terms set out in the Sale Notice. If the Sale Shares were the subject of a Total Transfer Provision, such a sale may only comprise all of the Sale Shares and not part only.

The Directors may require to be satisfied that the Sale Shares are being transferred pursuant to a *bona fide* sale upon the material terms and for the consideration stated in the transfer without any deduction, rebate or allowance whatsoever to the purchaser and if not so satisfied may refuse to register the instrument of transfer.

13.11 Failure to transfer

If the Transferor, after becoming bound to transfer any Sale Shares to a purchaser(s), shall make default in so doing or shall fail to deliver a share certificate(s) in respect thereof (or, if applicable, an indemnity in respect of a lost share certificate(s)) within the time limit referred to in Article 13.9) the Directors shall authorise some person to execute and deliver on the Transferor's behalf transfer(s) of the Sale Shares in favour of the purchaser(s) and shall receive the purchase money and thereupon shall, subject to such transfer(s) being duly stamped, enter the names of the purchaser(s) in the register of members as the Holder(s) of the relevant Sale Shares. The Transferor shall in such case be bound to deliver up his certificate for the Sale Shares to the Directors whereupon the Transferor shall be entitled to receive the purchase price which shall in the meantime be held by the Company on trust for the Transferor but without interest. If such certificate(s) shall comprise any Share which the Transferor has not become bound to transfer as aforesaid the Company shall issue to the Transferor a certificate for the balance of such Shares. The receipt by the Company of the purchase money shall be a good discharge to the purchaser(s) who shall not be bound to see the application thereof and after the name of the purchaser(s) has been entered on the register of members in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.

14 TAG ALONG

14.1 If at any time one or more Shareholders (the **"Proposed Sellers"**) propose to sell to any person, in one or a series of related transactions (other than as part of a Solvent Reorganisation), more than 75 per cent of any class of Shares (a **"Proposed Sale"**), the Proposed Sellers shall give written notice of any Proposed Sale to the other holders of Shares at least 10 Business Days prior to the proposed date of completion thereof. Such notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer (the **"Proposed Buyer"**), the sale price and other terms and conditions of payment, the proposed date of sale and the number and class of Shares to be acquired by the Proposed Buyer.

14.2 The Proposed Sale may not be completed unless the Proposed Buyer has unconditionally (other than in respect of anti-trust clearances) offered to buy all the other issued Shares (other than any Shares already held by the Proposed Buyer or persons connected with or Acting in Concert with him) on the following terms:

14.2.1 the provisions of Article 10.2 (*Exit*) shall apply to determine the respective rights of each class of Shares to the consideration payable under the Proposed Sale; and

14.2.2 subject to Article 14.3, the consideration shall be in the same form as that offered for the Shares pursuant to the Proposed Sale, shall be paid at the same time and shall be subject to the same payment terms as apply to the Proposed Sale,

(such offer being a **"Tag Offer"**).

14.3 For the purposes of Article 14.2:

14.3.1 **"consideration"** shall:

- (a) exclude any consideration in the form of any share, debt instrument or other security in the capital of the Proposed Buyer or any member of the same group of companies as the Proposed Buyer (the **"Buyer Group"**) provided that, if such form of consideration is to be excluded, an alternative consideration for each Equity Share is offered which is of equivalent value to such excluded consideration; and
- (b) for the avoidance of doubt, exclude any right or opportunity offered to a Shareholder to subscribe for or acquire any share, debt instrument or other security in the capital of any member of the Buyer Group which is in addition to the consideration offered for each Share pursuant to the Proposed Sale.

14.4 A Tag Offer shall be made in writing and shall remain open for acceptance for not less than 21 days.

14.5 Each Shareholder who accepts a Tag Offer (a **"Tagging Shareholder"**) shall pay its/his pro-rata share (calculated by reference to the number of Equity Shares held by the Tagging Shareholders), as a deduction from the gross pre-tax proceeds to be received pursuant to Article 14.2, without prejudice to any other deductions lawfully required to be made, of the costs incurred by the Proposed Sellers in connection with the Proposed Sale and the transfer of Shares pursuant thereto to the extent that it can reasonably be demonstrated that such costs were incurred on behalf of the Tagging Shareholders.

15 **DIVIDENDS AND OTHER DISTRIBUTIONS**

15.1 **Procedure for declaring dividends**

15.1.1 Subject to the provisions of the Act, the Company may by Ordinary Resolution declare dividends, and the Directors may decide to pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution.

15.1.2 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.

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

- 15.1.4 Unless the terms on which Shares are issued specify otherwise, dividends 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.
- 15.1.5 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.
- 15.1.6 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.
- 15.1.7 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.

15.2 **Payment of dividends and other distributions**

- 15.2.1 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 in writing;
 - (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 in writing;
 - (c) sending a cheque made payable to such person by post to such person at such address as the Distribution Recipient has specified in writing;
or
 - (d) any other means of payment as the Directors agree with the Distribution Recipient in writing.
- 15.2.2 In these Articles, "**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 Transmitttee.

15.3 No interest on distributions

The Company shall not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by the terms on which the Share was issued.

15.4 Unclaimed distributions

15.4.1 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.

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

15.4.3 If:

- (a) 12 years have passed from the date on which a dividend or other sum became due for payment; and
- (b) the Distribution Recipient has not claimed it,

the Distribution Recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

15.5 Non-cash distributions

15.5.1 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).

15.5.2 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.

15.6 **Waiver of distributions**

15.6.1 Distribution Recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in writing to that effect, but if:

- (a) the Share has more than one Holder; or
- (b) more than one person is entitled to the Share, whether by reason of the death or Bankruptcy of one or more joint Holders, or otherwise,

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

16 **CAPITALISATION OF PROFITS**

16.1 **Authority to capitalise and appropriation of capitalised sums**

16.1.1 Subject to these Articles and the provisions of the Act, 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 ("**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.

16.1.2 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.

16.1.3 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.

16.1.4 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.

16.1.5 Subject to these Articles, the Directors may:

- (a) apply Capitalised Sums in accordance with Articles 16.1.3 and 16.1.4 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.

17 ORGANISATION OF GENERAL MEETINGS

17.1 Attendance and speaking at general meetings

17.1.1 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.

17.1.2 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.

17.1.3 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.

17.1.4 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.

17.1.5 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.

17.2 Quorum for general meetings

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. Subject to Section 318(1) of the Act, two qualifying persons entitled to vote upon the business to be transacted, each being a qualifying person not excluded from counting towards a quorum under Section 318(2) of the Act shall be a quorum.

17.3 Chairing general meetings

17.3.1 If the Directors have appointed a Chairman pursuant to Article 5.4, the Chairman shall chair general meetings if present and willing to do so.

17.3.2 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 Shareholders present,

shall appoint a Director or Shareholder to chair the meeting, and the appointment of the Chairman of the meeting shall be the first business of the meeting.

17.3.3 The person chairing a meeting in accordance with this Article is referred to as **“the Chairman of the meeting”**.

17.4 Attendance and speaking by Directors and non-Shareholders

17.4.1 Directors may attend and speak at general meetings, whether or not they are Shareholders.

17.4.2 The Chairman of the meeting may permit other persons who are not:

(a) Shareholders; or

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

to attend and speak at a general meeting.

17.5 Adjournment

- 17.5.1 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.
- 17.5.2 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.
- 17.5.3 The Chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 17.5.4 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.
- 17.5.5 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 seven 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.
- 17.5.6 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.

18 VOTING AT GENERAL MEETINGS

18.1 Voting: general

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 these Articles.

18.2 Errors and disputes

18.2.1 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.

18.2.2 Any such objection must be referred to the Chairman of the meeting, whose decision is final.

18.3 Poll votes

18.3.1 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.

18.3.2 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.

18.3.3 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.

- 18.3.4 Polls must be taken immediately and in such manner as the Chairman of the meeting directs.

18.4 Content of Proxy Notices

- 18.4.1 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 these Articles and any instructions contained in the notice of the general meeting to which they relate.

- 18.4.2 The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.

- 18.4.3 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.

- 18.4.4 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 amendment to a resolution and on 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.

18.5 Delivery of Proxy Notices

- 18.5.1 A Proxy Notice must be delivered to the Company not less than 48 hours before the general meeting or adjourned meeting to which it relates.

- 18.5.2 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.

- 18.5.3 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.
- 18.5.4 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.
- 18.5.5 If a Proxy Notice or a notice revoking a proxy appointment 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.

18.6 Amendments to resolutions

- 18.6.1 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.
- 18.6.2 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.
- 18.6.3 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.

18.7 Records of members

The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the relevant date of all proceedings at general meetings of the Company.

19 ADMINISTRATIVE ARRANGEMENTS

19.1 Means of communication to be used

19.1.1 Subject to these Articles, anything sent or supplied by or to the Company under these Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company.

19.1.2 Subject to these 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.

19.1.3 The times of deemed delivery of documents and information specified in Sections 1147(2) and 1147(3) of the Act shall be amended as follows:

(a) subject to the other requirements of Section 1147(2) of the Act, documents or information set by first class post to an address in the UK shall be deemed to have been received by the intended recipient 24 hours after it was posted;

(b) subject to the other requirements of Section 1147(2) of the Act, documents or information set by second class post to an address in the UK shall be deemed to have been received by the intended recipient 48 hours after it was posted; and

(c) subject to the other requirements of Section 1147(3) of the Act, documents or information sent or supplied by electronic means shall be deemed to have been received 24 hours after it was sent.

19.2 Company seals

19.2.1 Any common seal may only be used by the authority of the Directors.

19.2.2 The Directors may decide by what means and in what form any common seal is to be used.

19.2.3 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.

19.2.4 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.

19.3 No right to inspect accounts and other records

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.

19.4 Provision for employees on cessation of business

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.

20 INSURANCE AND INDEMNITY

20.1 Insurance

The Directors may exercise all the powers of the Company to purchase and maintain insurance for or for the benefit of any person who is or was:

20.1.1 a Director, officer or employee of the Company or any Associated Company; or

20.1.2 a trustee of any pension fund in which employees of the Company or any Associated Company is or has been interested,

including without limitation insurance against any liability incurred by such person in respect of any act or omission in the actual or purported execution or discharge of his duties or in the exercise or purported exercise of his powers or otherwise in relation to his duties, powers or offices in relation to the relevant body or fund.

20.2 Indemnity

20.2.1 Every Director or other officer or auditor of the Company or any Associated Company shall be entitled, if determined by the Directors and to the extent so determined by the Directors, to be indemnified out of the assets of the Company to the fullest extent permitted by Sections 232, 233, 234 and 532 of the Act against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any

proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 661 or Section 1157 of the Act in which relief is granted to him by the court and such indemnity shall extend (if so determined) to former Directors, other officers and auditors of the Company or of any Associated Company. Subject to Article 20.2.4 no Director, former director or other officer or former officer shall be liable for any loss, damage or misfortune which shall happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto.

20.2.2 The Directors shall have power in accordance with Section 233 of the Act to purchase and maintain for any Director or former director or other officer or former officer of the Company or of any Associated Company insurance against any such liability as is referred to in Section 232 of the Act.

20.2.3 The Company is authorised to enter into a loan arrangement with a Director, former director or other officer or former officer of the Company or of any Associated Company, but only on terms that comply in full with Section 205 of the Act, to enable that Director, former director or other officer or former officer to meet any liability incurred in defending such proceedings or making such application for relief as that liability is incurred.

20.2.4 This Article 20 shall only have effect to the extent that its provisions are not avoided by Section 232, 233, 234 and 532 of the Act.

21 **RECORD DATES**

Notwithstanding any other provision of these Articles, the Company or the directors may fix any date as the record date for any dividend, distribution, allotment or issue, which may be on or at any time before or after any date on which the dividend, distribution, allotment or issue is declared, paid or made.