

**The Companies Act 2006**

**A private company limited by shares**

**Articles of Association**

**of**

**Calomax Limited**

**(Company Number: 02617748)**

(Adopted by Special Resolution on 21 | 04 2022)



**1. DEFINITIONS AND INTERPRETATION**

1.1. In the articles, unless the context requires otherwise:

<b>Act</b>	the Companies Act 2006 including any statutory modification or re-enactment thereof for the time being in force;
<b>Acting in Concert</b>	any person or persons who pursuant to an agreement or understanding (whether formal or informal) actively co-operate with each other through the acquisition by any of them of shares to obtain control of the Company and, without prejudice to the generality of the foregoing, persons shall be deemed to be persons acting in concert with a transferee namely: <ul style="list-style-type: none"><li>(i) if the transferee is a body corporate, any director of or shareholder in the transferee or any person who in relation to such director or shareholder is a connected person;</li><li>(ii) any person who in relation to the transferee is a connected person; and</li><li>(iii) if the transferee is a body corporate, any body corporate which in relation to the transferee is a subsidiary a holding company a subsidiary of a holding company or an associated company and the expression "acting in concert" shall be construed accordingly.</li></ul>
<b>articles</b>	the Company's articles of association;
<b>associated company</b>	a body corporate in which a transferee or any subsidiary of a transferee holds shares conferring the right to 10 per cent or more of the votes which could be cast on a poll at a general meeting of such body corporate and which is not a subsidiary;
<b>bankruptcy</b>	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
<b>chairperson</b>	see article 12;
<b>chairperson of the meeting</b>	see article 44;
<b>connected person</b>	the meaning given in sections 993 and 994 Income Tax Act 2007;
<b>controlling interest</b>	the holding of shares conferring in the aggregate more than 51% of the total voting rights conferred by all the shares in

	the capital of the Company for the time being in issue and conferring the right to vote at all general meetings;
<b>Company</b>	Calomax Limited (with company number: 02617748);
<b>Companies Acts</b>	the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company;
<b>director</b>	a director of the Company, and includes any person occupying the position of director, by whatever name called
<b>distribution recipient</b>	see article 36;
<b>document</b>	includes, unless otherwise specified, any document sent or supplied in electronic form;
<b>electronic form</b>	the meaning given in section 1168 of the Companies Act 2006;
<b>EOT</b>	means any trust established by the Company from time to time being an employees' share scheme;
<b>employees' share scheme</b>	has the meaning given in section 1166 of the Companies Act 2006;
<b>fully paid</b>	in relation to a share, means that the nominal value and any premium to be paid to the Company in respect of that share have been paid to the Company;
<b>hard copy form</b>	the meaning given in section 1168 of the Companies Act 2006;
<b>holder</b>	in relation to shares means the person whose name is entered in the register of members as the holder of the shares;
<b>instrument</b>	a document in hard copy form;
<b>ordinary resolution</b>	the meaning given in section 282 of the Companies Act 2006;
<b>Ordinary Shares</b>	means the Ordinary Shares of £1.00 each in the capital of the Company from time to time;
<b>Original Members</b>	means Tony Sailes and Kathryn Sailes;
<b>paid</b>	paid or credited as paid;
<b>participate</b>	in relation to a directors' meeting, see article 10;
<b>proxy notice</b>	see article 50;
<b>shareholder</b>	a person who is the holder of a share;
<b>shares</b>	shares in the Company as set out in Schedule A of these articles;
<b>special resolution</b>	the meaning given in section 283 of the Companies Act 2006;
<b>subsidiary</b>	the meaning given in section 1159 of the Companies Act 2006;
<b>transmittee</b>	a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and
<b>writing</b>	the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

- 1.2. Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.
- 1.3. The model articles for private companies limited by shares prescribed pursuant to the Act shall not apply to the Company.
- 1.4. The terms "including", "include", "in particular", "other", "otherwise" or similar expression shall be construed as illustrative and shall not limit the sense or application of any words, description, definition, phrase or term preceding or following those terms.
- 1.5. Unless expressly provided otherwise words denoting the singular shall include the plural and vice versa, and words denoting a gender shall include all genders.

## **2. LIABILITY OF MEMBERS**

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

## **3. DIRECTORS' GENERAL AUTHORITY**

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

## **4. SHAREHOLDERS' RESERVE POWER**

- 4.1. The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.
- 4.2. No such special resolution invalidates anything which the directors have done before the passing of the resolution.

## **5. DIRECTORS MAY DELEGATE**

- 5.1. Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:
  - 5.1.1. to such person or committee;
  - 5.1.2. by such means (including by power of attorney);
  - 5.1.3. to such an extent;
  - 5.1.4. in relation to such matters or territories; and
  - 5.1.5. on such terms and conditions;as they think fit.
- 5.2. If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- 5.3. The directors may revoke any delegation in whole or part, or alter its terms and conditions.

## **6. COMMITTEES**

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

## **7. DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

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

## **8. UNANIMOUS DECISIONS**

- 8.1. A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- 8.2. Such a decision may take the form of a resolution in writing and may consist of several documents in the like form each approved by one or more of the eligible directors in writing or by such other means as agreed to from time to time.
- 8.3. References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.
- 8.4. A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

## **9. CALLING A DIRECTORS' MEETING**

- 9.1. Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.
- 9.2. Notice of any directors' meeting must indicate:
  - 9.2.1. its proposed date and time;
  - 9.2.2. where it is to take place; and
  - 9.2.3. 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.
- 9.3. Notice of a directors' meeting must be given to each director, but need not be in writing.

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

## **10. PARTICIPATION IN DIRECTORS' MEETINGS**

- 10.1. Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when:
- 10.1.1. the meeting has been called and takes place in accordance with the articles; and
  - 10.1.2. they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 10.2. In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other
- 10.3. 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.

## **11. QUORUM FOR DIRECTORS' MEETINGS**

- 11.1. At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 11.2. The quorum for directors' meetings may be fixed from time to time by a decision of the directors, and unless otherwise so fixed shall be two.
- 11.3. If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision:
- 11.3.1. to appoint further directors; or
  - 11.3.2. to call a general meeting so as to enable the shareholders to appoint further directors.
- 11.4. The provisions of this article shall not apply in the event that the Company has a sole director for the time being.

## **12. CHAIRING OF DIRECTORS' MEETINGS**

- 12.1. The directors may appoint a director to chair their meetings.
- 12.2. The person so appointed for the time being is known as the chairperson.
- 12.3. The directors may terminate the chairperson's appointment at any time.
- 12.4. If the chairperson is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

## **13. CASTING VOTE**

- 13.1. If the numbers of votes for and against a proposal are equal, the chairperson or other director chairing the meeting has a casting vote.

- 13.2. But this does not apply if, in accordance with the articles, the chairperson or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

#### **14. DIRECTORS' INTERESTS**

- 14.1. Each director shall comply with his obligations to disclose the nature and extent of his interest in an actual or proposed transaction or arrangement with the Company pursuant to sections 177 and 182 of the Act.
- 14.2. A director shall not be required to disclose the nature and extent of his interest in any proposed arrangement or transaction by virtue of that director also being a director of any group undertaking as defined under section 1161(5) of the Act.
- 14.3. Subject to articles 14.1 and 14.4, and provided he has declared the nature and extent of his interest pursuant to the requirements of the Act, a director notwithstanding his office:
- 14.3.1. may be a party to or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise directly or indirectly interested;
  - 14.3.2. shall be counted in the quorum for the purposes of any proposed decision of the directors, or of any committee so established by the directors, in respect of such actual or proposed transaction or arrangement in which he is interested;
  - 14.3.3. shall be entitled to vote at a meeting of the directors or a committee meeting of the directors or participate in any unanimous decision in respect of such actual or proposed transaction or arrangement in which he is interested;
  - 14.3.4. may act by himself or by his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
  - 14.3.5. may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise directly or indirectly interested; and
  - 14.3.6. unless the directors decide otherwise, shall not be accountable to the Company for any remuneration or benefit which he, or any connected person as defined under section 252 of the Act, derives from any such office or employment or from any interest in a body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest, benefit, or receipt of remuneration.
- 14.4. If the directors elect to exercise their powers in accordance with section 175(4)(b) of the Act they may authorise any matter which would otherwise cause a director to infringe his duty under section 175 of the Act (Conflict) (subject to such terms and conditions as they think fit to impose, vary, or terminate from time to time).
- 14.5. Any such authorisation given by the directors pursuant to article 14.4 shall be effective provided that the conflicted director is not counted in the quorum at any part of the meeting at which his Conflict is authorised and that the conflicted director does not vote on any matter concerning its authorisation.

- 14.6. Where the directors authorise a Conflict, the conflicted director will be obliged to conduct himself in accordance with any terms and conditions (if any) so imposed by the directors in relation to his Conflict.
- 14.7. For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- 14.8. Subject to article 14.9, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairperson whose ruling in relation to any director other than the chairperson is to be final and conclusive.
- 14.9. If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairperson, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairperson is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

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

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

## **16. DIRECTORS' DISCRETION TO MAKE FURTHER RULES**

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

## **17. APPOINTMENT OF DIRECTORS**

- 17.1. Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:
- 17.1.1. by ordinary resolution; or
  - 17.1.2. by a decision of the directors.
- 17.2. 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.
- 17.3. For the purposes of article 17.2., 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.

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

- 18.1. A person ceases to be a director as soon as:
- 18.1.1. that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;
  - 18.1.2. a bankruptcy order is made against that person;

- 18.1.3. a composition is made with that person's creditors generally in satisfaction of that person's debts;
- 18.1.4. a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months; or
- 18.1.5. 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.

## **19. ALTERNATE DIRECTORS**

- 19.1. Any director (other than an alternate director) may appoint any other director, or any other person approved by resolution of the directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him.
- 19.2. An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the Company for his services as an alternate director. It shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.
- 19.3. An alternate director shall cease to be an alternate director if his appointor ceases to be a director.
- 19.4. Any appointment or removal of an alternate director shall be by notice to the Company signed by the director making or revoking the appointment or in any other manner approved by the directors.
- 19.5. Save as otherwise provided in the Articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

## **20. DIRECTORS' REMUNERATION**

- 20.1. Directors may undertake any services for the Company that the directors decide.
- 20.2. Directors are entitled to such remuneration as the directors determine:
  - 20.2.1. for their services to the Company as directors; and
  - 20.2.2. for any other service which they undertake for the Company
- 20.3. Subject to the articles, a director's remuneration may:
  - 20.3.1. take any form; and
  - 20.3.2. include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- 20.4. Unless the directors decide otherwise, directors' remuneration accrues from day to day.



- 20.5. 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.

## **21. DIRECTORS' EXPENSES**

- 21.1. The Company may pay any reasonable expenses which the directors (including alternate directors) properly incur in connection with their attendance at:
- 21.1.1. meetings of directors or committees of directors;
  - 21.1.2. general meetings; or
  - 21.1.3. 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.

## **22. SHARES**

- 22.1. Subject to the remaining provisions of this article 22, for so long as the Company has only one class of shares, the directors are generally and unconditionally authorised pursuant to section 550 of the Act to exercise any powers of the Company to allot and grant rights to subscribe for or convert securities into such shares.
- 22.2. Subject to the remaining provisions of this article 22, where the Company has more than one class of shares, the directors pursuant to section 551 of the Act are generally and unconditionally authorised to exercise any powers of the Company to allot and grant rights to subscribe for or convert securities into shares up to an aggregate nominal value of £1,000,000.00, or an equivalent amount in such other currency, at any times during the period of five years from the date of adoption of these articles. Such authority so given under section 551 of the Act may be renewed, revoked, or varied by an ordinary resolution of the Company.
- 22.3. Any authority expressed under articles 22.1 and 22.2 shall be subject to such other provisions, if any, relating to the share class rights as set out in Schedule A of these articles and the remaining provisions of this article 22.
- 22.4. In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.
- 22.5. Subject to any other provisions varying the rights between classes of shares set out in Schedule A of these articles, where the Company has more than one class of shares, such shares shall rank pari passu in all respects.
- 22.6. Shares may be issued nil paid, partly paid, or fully paid.
- 22.7. Unless otherwise agreed by special resolution, if the Company proposes to allot any Ordinary Shares, those shares shall not be allotted to any person unless the Company has first offered them to all shareholders holding Ordinary Shares on the date of the offer on the same terms, and at the same price, as those shares are being offered to other persons on a pari passu and pro rata basis to the number of shares held by those holders (as nearly as possible without involving fractions). The offer:

- 22.7.1. shall be in writing, shall be open for acceptance for a period of 15 business days from the date of the offer and shall give details of the number and subscription price of the relevant shares; and
- 22.7.2. may stipulate that any shareholder who wishes to subscribe for a number of shares in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess shares (**Excess Shares**) for which he wishes to subscribe.
- 22.8. Any shares not accepted by shareholders pursuant to the offer made to them in accordance with article 22.7 shall be used for satisfying any requests for Excess Shares made pursuant to article 22.7.2. If there are insufficient Excess Shares to satisfy such requests, the Excess Shares shall be allotted to the applicants pro rata to the number of shares held by the applicants immediately before the offer was made to shareholders in accordance with 22.7 (as nearly as possible without involving fractions or increasing the number of Excess Shares allotted to any shareholder beyond that applied for by him). After that allotment, any Excess Shares remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the shareholders.
- 22.9 The pre-emption provisions on allotment of shares contained under articles 22.7 and 22.8 above shall not apply to any Ordinary Shares proposed to be held under or allotted pursuant to an employees' share scheme.

## **23. LIEN**

- 23.1. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The Company's lien on a share shall extend to any amount payable in respect of it.
- 23.2. The Company may sell in such manner as the directors determine any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.
- 23.3. To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 23.4. The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

## **24. CALLS ON SHARES AND FORFEITURE**

- 24.1. Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares.

- 24.2. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.
- 24.3. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
- 24.4. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 24.5. If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call but the directors may waive payment of the interest wholly or in part.
- 24.6. An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the articles shall apply as if that amount had become due and payable by virtue of a call.
- 24.7. Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.
- 24.8. If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.
- 24.9. If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.
- 24.10. Subject to the provisions of the Act and any other provisions relating to shares in these Articles, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.
- 24.11. A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
- 24.12. A statutory declaration by a director or the secretary of the Company that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of

shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

**25. POWER TO ISSUE DIFFERENT CLASSES OF SHARES**

Subject to the articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution.

**26. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS**

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

**27. RIGHTS DEEMED NOT VARIED**

Unless otherwise expressly provided by the rights attached to any class of shares, those rights shall be deemed not to be varied by the purchase by the Company of any of its own shares.

**28. SHARE CERTIFICATES**

28.1. The Company must issue each shareholder, free of charge, with one or more share certificates in respect of the shares which that shareholder holds.

28.2. Every share certificate must specify:

28.2.1. in respect of how many shares, of what class, it is issued;

28.2.2. the nominal value of those shares;

28.2.3. the shares are fully paid; and

28.2.4. any distinguishing numbers assigned to them.

28.3. No share certificate may be issued in respect of shares of more than one class.

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

28.5. Share certificates must:

28.5.1. have affixed to them the Company's common seal; or

28.5.2. be otherwise executed in accordance with the Companies Acts.

**29. REPLACEMENT SHARE CERTIFICATES**

29.1. If a share certificate issued in respect of a shareholder's shares is:

29.1.1. damaged or defaced; or

29.1.2. said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement share certificate in respect of the same shares.

- 29.2. A shareholder exercising the right to be issued with such a replacement share certificate:
- 29.2.1. may at the same time exercise the right to be issued with a single share certificate or separate share certificates;
  - 29.2.2. must return the share certificate which is to be replaced to the Company if it is damaged or defaced; and
  - 29.2.3. must comply with such conditions as to evidence or indemnity as the directors decide.

### 30. SHARE TRANSFERS

- 30.1 In these articles, reference to the transfer of a share includes the transfer, assignment or other disposal of a beneficial or other interest in that share, or the creation of a trust or encumbrance over that share, and reference to a share includes a beneficial or other interest in a share.
- 30.2 Shares may be transferred by means of an instrument of transfer in the usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.
- 30.3 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 30.4 The Company may retain any instrument of transfer which is registered.
- 30.5 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 30.6 The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.
- 30.7 Save for any transfers pursuant to articles 30.31, 31, 33, or 34 if a member wishes to transfer a share (**Seller**), or a Relevant Event (as defined under article 30.8 below) occurs, the following procedure in this article shall apply so far as is appropriate in the circumstances of each transaction.
- 30.8 For the purposes of this article 30, a Relevant Event means:
- 30.8.1 any transfer or purported transfer of any share in the Company except in accordance with the provisions of these articles;
  - 30.8.2 the making of a bankruptcy order against any member;
  - 30.8.3 the passing of any resolution or making of an order to wind up any body corporate in its capacity as a member; or
  - 30.8.4 the appointment of any administrator of any member, or receiver, or administrative receiver of any assets of any member.
- 30.9 The Seller shall give written notice to the Company (**Transfer Notice**) stating the number of shares he wishes to transfer (**Sale Shares**), the name of the proposed buyer, and the price for the shares (or in the case of a Relevant Event occurring the Company shall give written notice to the Seller stating that he is deemed to have given a Transfer Notice in respect of all the shares registered in his name).
- 30.10 The Company and the Seller shall, in the first instance, try to reach agreement for the fair value price of the Sale Shares. If the fair value price for the Sale Shares is not agreed within one month starting on the date on which the Transfer Notice is or is deemed to have been given the fair value price of the Sale Shares shall be determined in accordance with article 30.21 below.

- 30.11 The directors shall notify the Seller of the price of the Sale Shares not later than seven days after the price for the said shares has been established in accordance with article 30.21 below.
- 30.12 A Transfer Notice shall not be revocable except with the approval of the directors.
- 30.13 Subject to the provisions of the Act, the Sale Shares may be bought by the Company at the price so determined in accordance with article 30.10 above. The directors shall determine whether and, if so, how many of them the Company will buy and if they do so determine they shall (not later than twenty-eight days from the establishment of the Sale Share price) notify the Seller in writing of the number of Sale Shares to be bought by the Company.
- 30.14 The directors shall without delay provisionally allocate the Sale Shares which are not to be bought by the Company to the members of the Company, excluding the Seller, (**Relevant Members**) in proportion (as nearly as may be) to the number of shares held by them at the close of business on the day of the Transfer Notice. The directors may at their discretion allocate to Relevant Members any shares not being capable of being divided exactly amongst the Relevant Members.
- 30.15 On completing the allocation under article 30.14 above, and in any event not later than twenty-eight days from the establishment of the Sale Share price, the directors shall issue the Offer Notices (as defined under article 30.16 below) in accordance with the allocation.
- 30.16 For the purposes of this article 30, an Offer Notice means a written notice from the Company to the Relevant Members served not less than seven days after the price for the Sale Shares has been established and notified to the Seller stating:
- 30.16.1 the number of Sale Shares available;
  - 30.16.2 the price per Sale Share;
  - 30.16.3 the number of Sale Shares provisionally allocated to the Relevant Member;
  - 30.16.4 that the Relevant Member is entitled to state the maximum number (if any) of the Sale Shares which he wishes to buy; and
  - 30.16.5 that the Relevant Member is entitled to state the maximum number (if any) of the Sale Shares which he wishes to buy in addition to the allocated number.
- 30.17 Any Relevant Member who wishes to buy Sale Shares (**Buyer**) shall send a notice in writing (**Acceptance**) to the Company not later than fourteen days after service of the Offer Notice.
- 30.18 The directors on receipt of Acceptances and no earlier than the end of the fourteen-day period referred to in article 30.17 above shall allocate the Sale Shares amongst the Buyers:
- 30.18.1 first in proportion (as nearly as may be) to the number of shares held by them at the close of business on the day of the Transfer Notice;
  - 30.18.2 secondly (in respect of any Sale Shares not allocated under article 30.18.1 above) amongst those Buyers whose Acceptances state a maximum exceeding the number of shares allocated to them under article 30.18.1 above until either all the Sale Shares have been so allocated or all Acceptances have been satisfied in full; and
  - 30.18.3 finally any Sale Shares not taken by any Buyer, or not otherwise disposed of under these articles, may be allocated by the directors as they think fit to any member of the Company; but no Sale Shares may be allocated to any Buyer in excess of the maximum number (if any) stated by any Buyer that he is willing to buy.
- 30.19 As soon as is possible the directors shall write to each Buyer and the Seller:
- 30.19.1 notifying the Buyer of the number of Sale Shares allocated to him and the amount payable by him (to be paid by a cheque in favour of the Company or by such other means as agreed to by the directors from time to time);
  - 30.19.2 sending to the Seller stock transfer forms for the Sale Shares; and

- 30.19.3 requiring the cheques, stock transfer forms and share certificates (or an indemnity in such form as the directors require for any Sale Share whose certificate is not delivered to them) to be sent to the Company within seven days.
- 30.20 On each completion of a sale and purchase of Sale Shares the directors shall:
- 30.20.1 enter the Buyer in the register of members;
  - 30.20.2 send a certificate to each Buyer for the Sale Shares bought by him;
  - 30.20.3 send a remittance to the Seller for the Sale Shares; and
  - 30.20.4 send to the Seller a balancing certificate for any Sale Shares not transferred to Buyers.
- 30.21 If the price for the Sale Shares is not agreed by the Company and the Seller pursuant to article 30.10 it shall be assessed:
- 30.21.1 by an accountant (**Valuer**) to be selected by the Seller and the Company or in default of agreement within fourteen days to be nominated by the President for the time being of the Institute of Chartered Accountants on the application of the first of them to apply to him;
  - 30.21.2 as a fair price per share on the basis of a valuation of the whole of the Company's issued share capital of the same class as the Sale Shares on an open market sale between a willing buyer and willing seller dealing with each other at arm's length at the date of the Transfer Notice and multiplying the valuation by the number of the Sale Shares and dividing it by the number of issued shares in the same class.
- 30.22 The process culminating with the service of an Acceptance shall constitute a contract between the Seller and the relevant Buyer for the sale at the price as determined under article 30.10 or article 30.21 of a number of Sale Shares to be determined by the directors in accordance with these articles.
- 30.23 When the Valuer has been selected or nominated the Company may sign his terms of appointment on behalf of itself, each Seller and each Buyer. If the Company fails to sign the Valuer's terms of appointment within a period of twenty-eight days starting on the day of his selection or nomination the first of the Sellers and the Buyers to do so may do so on behalf of himself, the Company and the other Sellers or (as the case may be) the Buyers.
- 30.24 Where the price of the Sale Shares is assessed by any person under article 30.21 he shall certify it to the Company in writing and shall act as an expert and not an arbitrator.
- 30.25 The Company and each of the parties shall without delay provide to the Valuer in such form as he requires all information which he reasonably requires for the purpose of the valuation.
- 30.26 The costs of the Valuer shall be borne by the parties as the Valuer shall direct.
- 30.27 No part of the price for the Sale Shares shall be paid to the Seller until he has delivered to the Company all necessary stock transfer forms, certificates and indemnities. Until the price for the Sale Shares is paid to the Seller it shall be held by the Company in a designated trust account for his benefit and if because of any act or omission by the Seller it remains in that account at the end of five years from the date of the Transfer Notice the directors may at any time resolve that it be forfeited by and belong to the Company free from all claims of the Seller.
- 30.28 If the Seller fails to execute a stock transfer form in respect of the Sale Shares any director designated by a resolution of the directors shall be attorney of the Seller with full power to execute, complete and deliver in the name and on behalf of the Seller a transfer or transfers of the Sale Shares to the Buyers. A transfer under this regulation may be registered notwithstanding that the certificate for any Sale Share has not been delivered to the directors or that the price or part of it has not been paid to the Seller.

- 30.29 After a Transfer Notice has been served the Seller shall have such number of votes as exceeds by one vote the number of votes required to be cast whether on a show of hands or a poll or a resolution in writing to defeat a proposal for a resolution for the deletion or alteration of any regulation affecting his rights as a Seller or the cancellation or alteration of these articles or any other act which would have the same or a similar effect.
- 30.30 The Seller shall not be entitled to exercise any right to vote at any meeting of the Company after service of a Transfer Notice except under article 30.29 of these articles.
- 30.31 The provisions of articles 30.8 to 30.30 shall not apply to any transfers of shares to or from the Original Members, an EOT or to any transfers of shares to an employee exercising their options pursuant to an employees' share scheme.

## 31. COMPULSORY TRANSFERS

- 31.1. For the purposes of this article:

- 31.1.1. A **Departing Employee** is an individual (excluding the Original Members) who ceases to be a director or employee of, or consultant to, the Company or any subsidiary of the Company and who does not continue as, or become, a director or employee of, or consultant to, the Company or any subsidiary of the Company.
- 31.1.2. A **Good Leaver** is a Departing Employee who ceases to be employed by the Company for reasons such as retirement or death at the date of cessation and/or is determined to be a Good Leaver at the discretion of the directors. A **Bad Leaver** is any Departing Employee who is not a Good Leaver.
- 31.1.3. **Fair Value** shall be the price per share determined by the directors acting fairly and reasonably and agreed with the Departing Employee, or if no price can be agreed, Fair Value shall be determined by a valuer appointed by the directors, who will give the valuer access to all accounting records or other relevant documents of the Company and its subsidiaries, subject to such confidentiality agreements as the directors may reasonably impose, on the following bases and assumptions:
- i. valuing the shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the transfer notice was served (or deemed served);
  - ii. if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
  - iii. that the shares are capable of being transferred without restriction;
  - iv. valuing the shares taking account of any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and
  - v. reflecting any other factors which the appointed valuer reasonably believes should be taken into account.

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

- 31.2. If a shareholder who acquired shares pursuant to an employees' share scheme was or becomes a Departing Employee, a transfer notice shall be deemed to have been served (unless the directors otherwise direct in writing in respect of any particular number of shares prior to or within 14 days after the date the shareholder became a Departing Employee) (a **Compulsory Transfer**) on the day the shareholder



became a Departing Employee or the day of acquiring shares, if later, in respect of all shares held by or on behalf of that Departing Employee (subject to any direction by the directors under this article 31.2) and any transfer notice previously served in respect of any of such shares shall automatically lapse.

31.3. Article 31.2 shall also apply to any person who acquired shares from the Departing Employee otherwise than by an arm's length transaction.

31.4. The sale price for a Compulsory Transfer shall, where the Departing Employee is:

31.4.1. a Bad Leaver, be restricted to a maximum of the lower of the aggregate price paid by the Departing Employee for the issue or transfer of the shares subject to the Compulsory Transfer and the aggregate Fair Value of such shares; and

31.4.2. a Good Leaver, be the aggregate Fair Value of such shares.

31.5. Any shares subject to a Compulsory Transfer must first be offered for sale to the EOT (should one exist), secondly to the Company, and thirdly to the Original Members.

31.6. The Compulsory Transfer provisions under this Article 31 shall not apply to the Original Members.

## **32. TRANSMISSION OF SHARES**

32.1. If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share.

32.2. A transmittee who produces such evidence of entitlement to shares as the directors may properly require:

32.2.1. may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, subject to the provisions of articles 30 and 31 above; and

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

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

32.4. Transmittes who wish to become the holders of shares to which they have become entitled must notify the Company in writing of that wish.

32.5. If the transmittee wishes to have a share transferred to another person, any such transfer shall be subject to the provisions of articles 30 and 31 above.

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

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

**33. DRAG ALONG RIGHTS**

- 33.1. If the holder(s) holding in aggregate not less than 51 per cent in nominal value of the issued share capital of the Company (**Selling Shareholders**) wish to transfer all (but not some only) of their shares (**Sellers' Shares**) to a bona fide purchaser on arm's length terms (**Proposed Buyer**), the Selling Shareholders may require all other shareholders (**Called Shareholders**) to sell and transfer all their shares (**Called Shares**) to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with this article (**Drag Along Option**). For these purposes Called Shareholders shall include the holders of any existing options to acquire shares (granted by the Company or under any share option arrangements established by the Company) that are already capable of exercise or that are expected to become capable of exercise before the completion of the sale of the Called Shares.
- 33.2. The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholders (**Drag Along Notice**) at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify:
- 33.2.1. that Called Shareholders are required to transfer all their Called Shares pursuant to this article 33;
- 33.2.2. the person to whom the Called Shares are to be transferred;
- 33.2.3. the purchase price payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per share offered by the Proposed Buyer for the Sellers' Shares; and
- 33.2.4. the proposed date of the transfer.
- 33.3. Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 45 days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 33.4. No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this article 33.
- 33.5. Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Sellers' Shares unless:
- 33.5.1. all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Selling Shareholders; or
- 33.5.2. that date is less than 28 days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the twenty-eighth day after service of the Drag Along Notice.
- 33.6. On or before the Completion Date, the Called Shareholders shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts due pursuant to article 33.2.3 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.

- 33.7. To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this article in respect of their Shares.
- 33.8. If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with article 33.6) transfer(s) in respect of all of the Called Shares held by him, each defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent to execute all necessary transfer(s) on his behalf, against receipt by the Company (on trust for such holder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as it may direct). After the Proposed Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of shares under this article 33.
- 33.9. Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares (a New Shareholder), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all Shares acquired by it to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this article 33 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the Shares shall take place on the Completion Date or immediately upon the New Shareholder becoming a Shareholder of the Company, if later.
- 34. TAG ALONG RIGHTS ON A CHANGE OF CONTROL**
- 34.1. The provisions of this article 34.1 shall apply if, in one or a series of related transactions, one or more members (**Sellers**) propose to transfer any of the shares (**Proposed Transfer**) which would, if carried out, result in the Proposed Buyer (as defined in article 33.1), and any person Acting in Concert with the Proposed Buyer, acquiring a controlling interest in the Company.
- 34.2. Before making a Proposed Transfer, a Seller shall procure that the Proposed Buyer makes an offer (**Offer**) to:
- 34.2.1. the other shareholders to purchase all of the shares held by them;
  - 34.2.2. the holders of any existing options to acquire shares (granted by the Company or under any share option arrangements established by the Company) that are already capable of exercise or that are expected to become capable of exercise before the Proposed Transfer, to purchase any shares acquired on the exercise of options at any time before the Proposed Transfer;
  - 34.2.3. the holders of any warrants to subscribe for shares that are capable of exercise or that are expected to become capable of exercise before the Proposed Transfer, to purchase any shares acquired on the exercise of the subscription rights under such warrants at any time before the Proposed Transfer; and
  - 34.2.4. the holders of any securities of the Company that are convertible into shares, to purchase any shares arising from the conversion of such securities at any time before the Proposed Transfer,

for a consideration in cash per share that is at least equal to the highest price per share offered or paid by the Proposed Buyer, or any person Acting in Concert with the Proposed Buyer, for the Proposed Transfer and an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holder(s) of the Sellers' Shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the Sellers' Shares (**Specified Price**).

In the event of disagreement the calculation of the Specified Price shall be referred to a chartered accountant (acting as expert and not as arbitrator) nominated by and acting at the joint expense of the parties concerned (or, in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales) whose decision shall be final and binding.

- 34.3. The Offer shall be made by written notice (**Written Notice**), at least 28 days before the proposed sale date (**Sale Date**). To the extent not described in any accompanying documents, the Written Notice shall set out:

34.3.1. the identity of the Proposed Buyer;

34.3.2. the Specified Price and other terms and conditions of payment;

34.3.3. the Sale Date; and

34.3.4. the number of shares proposed to be purchased by the Proposed Buyer (**Offer Shares**).

- 34.4. If the Proposed Buyer fails to make the Offer to all of the persons listed in article 34.2 in accordance with articles 34.2 and 34.3, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of shares effected in accordance with the Proposed Transfer.

- 34.5. If the Offer is accepted by any shareholder (**Accepting Shareholder**) in writing within 28 days of receipt of the Written Notice, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by the Accepting Shareholders.

## **35. PROCEDURE FOR DECLARING DIVIDENDS**

- 35.1. The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 35.2. 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.
- 35.3. No dividend may be declared or paid unless it is in accordance with shareholders' respective rights as set out (if any) in Schedule A of these articles.
- 35.4. Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.
- 35.5. If the Company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.
- 35.6. 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.

- 35.7. 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.
- 35.8. Subject to the provisions of the Act and this article 35, the directors may from time to time decide to declare dividends in any currency they deem appropriate at such time.
- 35.9. Subject to article 35.3, where the Company has two or more share classes, the directors may resolve to pay an interim dividend on one or more classes of shares and not on one or other classes, and may differentiate between such classes as to the amount of dividend payable.
- 35.10. Subject to article 35.3, where the Company has two or more share classes, the Company may, by ordinary resolution, resolve to declare a dividend on one or more classes of shares and not on one or other classes, and may differentiate between such classes as to the amount of dividend payable.
- 35.11. Subject to article 35.3, all dividends must be declared and paid according to the amounts paid up on the shares on which the dividend is paid; and apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

#### **36. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS**

- 36.1. 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:
- 36.1.1. transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
- 36.1.2. sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;
- 36.1.3. sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
- 36.1.4. any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.
- 36.2. In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable:
- 36.2.1. the holder of the share; or
- 36.2.2. if the share has two or more joint holders, whichever of them is named first in the register of members; or
- 36.2.3. if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

#### **37. NO INTEREST ON DISTRIBUTIONS**

- 37.1. The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:

- 37.1.1. the terms on which the share was issued; or
- 37.1.2. the provisions of another agreement between the holder of that share and the Company.

### **38. UNCLAIMED DISTRIBUTIONS**

- 38.1. All dividends or other sums which are:
  - 38.1.1. payable in respect of shares; and
  - 38.1.2. 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.
- 38.2. The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.
- 38.3. If:
  - 38.3.1. twelve years have passed from the date on which a dividend or other sum became due for payment; and
  - 38.3.2. 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.

### **39. NON-CASH DISTRIBUTIONS**

- 39.1. 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).
- 39.2. 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:
  - 39.2.1. fixing the value of any assets;
  - 39.2.2. paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
  - 39.2.3. vesting any assets in trustees.

### **40. WAIVER OF DISTRIBUTIONS**

- 40.1. 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:
  - 40.1.1. the share has more than one holder; or
  - 40.1.2. more than one person is entitled to the share, whether by reason of the death; or
  - 40.1.3. 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.

#### **41. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS**

- 41.1. Subject to the articles, the directors may, if they are so authorised by an ordinary resolution:
- 41.1.1. 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
  - 41.1.2. appropriate any sum which they so decide to capitalise in accordance with article 41.1.1 (**Capitalised Sums**) to the persons who would have been entitled to it if it were distributed by way of dividend (**Persons Entitled**) and in the same proportions of their respective rights.
- 41.2. Capitalised Sums must be applied:
- 41.2.1. on behalf of the persons entitled; and
  - 41.2.2. in the same proportions as a dividend would have been distributed to them.
- 41.3. 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.
- 41.4. 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.
- 41.5. Subject to the articles the directors may:
- 41.5.1. apply Capitalised Sums in accordance with articles 41.3 and 41.4 partly in one way and partly in another;
  - 41.5.2. 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
  - 41.5.3. 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.

#### **42. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

- 42.1. 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.
- 42.2. A person is able to exercise the right to vote at a general meeting when:
- 42.2.1. that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and

42.2.2. 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.

42.3. 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.

42.4. 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.

42.5. 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.

#### **43. QUORUM FOR GENERAL MEETINGS**

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

43.2. Where the Company has a sole member for the time being who is entitled to vote on the business to be transacted at a general meeting, that member either present in person or by proxy shall constitute a valid quorum.

43.3. Where the Company has two or more members who are entitled to vote on the business to be transacted at a general meeting, two such members either present in person or by proxy or proxies shall constitute a valid quorum.

#### **44. CHAIRING GENERAL MEETINGS**

44.1. If the directors have appointed a chairperson, the chairperson shall chair general meetings if present and willing to do so.

44.2. If the directors have not appointed a chairperson, or if the chairperson is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:

44.2.1. the directors present; or

44.2.2. (if no directors are present), the meeting,

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

44.3. The person chairing a meeting in accordance with this article is referred to as "the chairperson of the meeting".

#### **45. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS**

45.1. Directors may attend and speak at general meetings, whether or not they are shareholders.

45.2. The chairperson of the meeting may permit other persons who are not:

45.2.1. shareholders of the Company; or

45.2.2. otherwise entitled to exercise the rights of shareholders in relation to general meetings,

to attend and speak at a general meeting.



#### **46. ADJOURNMENT**

- 46.1. 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 chairperson of the meeting must adjourn it.
- 46.2. The chairperson of the meeting may adjourn a general meeting at which a quorum is present if:
  - 46.2.1. the meeting consents to an adjournment; or
  - 46.2.2. it appears to the chairperson 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.
- 46.3. The chairperson of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 46.4. When adjourning a general meeting, the chairperson of the meeting must:
  - 46.4.1. either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors; and
  - 46.4.2. have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 46.5. If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
  - 46.5.1. to the same persons to whom notice of the Company's general meetings is required to be given; and
  - 46.5.2. containing the same information which such notice is required to contain.
- 46.6. 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.

#### **47. VOTING AT GENERAL MEETINGS**

- 47.1. A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.
- 47.2. On a vote on a resolution on a show of hands at a general meeting every shareholder entitled to vote (whether present in person or by one or more proxies) has one vote.

#### **48. ERRORS AND DISPUTES**

- 48.1. 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.
- 48.2. Any such objection must be referred to the chairperson of the meeting, whose decision is final.

## **49. POLL VOTES**

- 49.1. A poll on a resolution may be demanded:
  - 49.1.1. in advance of the general meeting where it is to be put to the vote; or
  - 49.1.2. at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 49.2. A poll may be demanded by:
  - 49.2.1. the chairperson of the meeting;
  - 49.2.2. the directors;
  - 49.2.3. two or more persons having the right to vote on the resolution; or
  - 49.2.4. a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.
- 49.3. A demand for a poll may be withdrawn if:
  - 49.3.1. the poll has not yet been taken; and
  - 49.3.2. the chairperson of the meeting consents to the withdrawal.
- 48.4. Polls must be taken immediately and in such manner as the chairperson of the meeting directs.

## **50. CONTENT OF PROXY NOTICES**

- 50.1. Proxies may only validly be appointed by a notice in writing (**Proxy Notice**) which:
  - 50.1.1. states the name and address of the shareholder appointing the proxy;
  - 50.1.2. identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
  - 50.1.3. is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
  - 50.1.4. is delivered to the Company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- 50.2. The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.
- 50.3. 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.
- 50.4. Unless a Proxy Notice indicates otherwise, it must be treated as:
  - 50.4.1. allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
  - 50.4.2. appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

## **51. DELIVERY OF PROXY NOTICES**

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

## **52. AMENDMENTS TO RESOLUTIONS**

- 52.1. An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
  - 52.1.1. 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 chairperson of the meeting may determine); and
  - 52.1.2. the proposed amendment does not, in the reasonable opinion of the chairperson of the meeting, materially alter the scope of the resolution.
- 52.2. A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
  - 52.2.1. the chairperson of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - 52.2.2. the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 52.3. If the chairperson of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairperson's error does not invalidate the vote on that resolution.

## **53. MEANS OF COMMUNICATION TO BE USED**

- 53.1. Subject to the articles, anything sent or supplied by or to the Company under the articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.
- 53.2. Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 53.3. A director may agree with the Company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

#### **54. COMPANY SEALS**

- 54.1. Any common seal may only be used by the authority of the directors.
- 54.2. The directors may decide by what means and in what form any common seal is to be used.
- 54.3. Unless otherwise decided by the directors, if the Company has a common seal and it is affixed to a document, that document must also be signed by:
  - 54.3.1. one director and the secretary of the Company;
  - 54.3.2. two directors; or
  - 54.3.3. one director in the presence of a witness who confirms the signature of the director.

#### **55. NO RIGHTS 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.

#### **56. 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.

#### **57. DIRECTORS' INDEMNITY**

- 57.1. Subject to article 57.2, a relevant director of the Company or an associated company may be indemnified out of the Company's assets against:
  - 57.1.1. any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;
  - 57.1.2. any liability incurred by that director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act); and
  - 57.1.3. any other liability incurred by that director as an officer of the Company or an associated company.
- 57.2. This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- 57.3. In this article:
  - 57.3.1. companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
  - 57.3.2. a "relevant director" means any director or former director of the Company or an associated company.

## **58. INSURANCE**

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

### **58.1. In this article:**

- 58.1.1. a "relevant director" means any director or former director of the Company or an associated company;
- 58.1.2. a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and
- 58.1.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

## **59. WINDING UP**

If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by law, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he may determine, but no member shall be compelled to accept any assets upon which there is a liability.

## **60. DISTRIBUTION**

In the absence of any other specific provisions attached to the shares as set out under Schedule A of these articles, on a return of assets on a liquidation, capital reduction, winding up or other repayment of capital (but excluding a purchase of shares by the Company), the assets of the Company remaining after paying and discharging the debts and liabilities of the Company and the costs of winding up, shall be applied to the holders of the shares in proportion to the nominal amounts paid up or credited as paid up on such shares.

**SCHEDULE A**  
**SHARE DETAILS**

**1. Ordinary Shares of £1.00 each:**

(the "**Ordinary Shares**")

- (i) The Ordinary Shares have attached to them full voting, dividend, and capital distribution (including winding-up) rights.
- (ii) The Ordinary Shares are non-redeemable.
- (iii) On a poll or on a written resolution the holders of the Ordinary Shares shall be entitled to one vote per every one share held.