

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**OXBRIDGE ASSOCIATES LIMITED**  
**(Company Number: 05081206)**  
**(the "Company")**

**SATURDAY**



Adopted pursuant to a resolution of the Company dated 17 April 2023

**INTRODUCTION**

**1 INTERPRETATION**

1.1 In these articles, unless the context otherwise requires:

<b>A Ordinary Shares</b>	means the A ordinary shares of £1.00 each in the capital of the Company;
<b>Act:</b>	means the Companies Act 2006;
<b>Appointor:</b>	has the meaning given in Article 13.1;
<b>Articles:</b>	means the Company's articles of association for the time being in force;
<b>B Ordinary Shares:</b>	means the B ordinary shares of £1.00 each in the capital of the Company;
<b>Bad Leaver</b>	means a Shareholder who is deemed to have served a Sale Notice pursuant to Article 22.3.3;
<b>Board:</b>	means the board of directors of the Company from time to time;
<b>Business Day:</b>	means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;
<b>Call:</b>	has the meaning given in article 30;
<b>Call Notice:</b>	has the meaning given in article 30;
<b>Company's lien:</b>	has the meaning given in article 28;
<b>Conflict:</b>	has the meaning given in article 10.1;
<b>Continuing Shareholder(s)</b>	means all Shareholders who are not a Transferor;
<b>Deceased Shareholder</b>	means a Shareholder who has died;
<b>directors</b>	means directors of the Company from time to time;
<b>Disposal:</b>	means the sale or other disposal of any subsidiary or subsidiaries or other assets (except current assets disposed of in the ordinary course of trading) representing (in terms of net assets, turnover

	or pre-tax profits) more than ninety per cent of the net assets, turnover or pre-tax profits of the Group as shown by its latest audited accounts or its latest management accounts;
<b>Eligible Director:</b>	means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter);
<b>Exit:</b>	means a Share Sale or a Disposal or a Listing;
<b>Exit Proceeds:</b>	means: <ul style="list-style-type: none"><li>• on a Listing, the value at the Listing Value of the then issued ordinary shares (other than those issued under the Listing arrangement to raise new money); or</li><li>• on a Share Sale, the consideration payable for the shares of the Company under and the subject of the terms of the Share Sale; or</li><li>• on a distribution of Remaining Assets relevant to Article 3, the amount or value of the assets the subject of the distribution;</li></ul>
<b>Group:</b>	means the Company and its subsidiaries (if any) from time to time and " <b>Group Company</b> " shall be construed accordingly;
<b>Group Reorganisation:</b>	means any arrangement (by scheme of arrangement, share exchange, under section 110 of the Insolvency Act 1986 or otherwise) under which the Shares in the Company are acquired by a new body corporate in terms that the shareholders of the body corporate and the value of their respective shareholdings and equity interests in that new body corporate after that acquisition are the same or substantially the same as they were immediately prior to that acquisition, disregarding any changes in such shareholdings consequent on the exercise of options and similar entitlements under employee and similar share incentive arrangements operated by the Group or any of its members at the time of the acquisition;
<b>holding company:</b>	has the meaning given in section 1159 of the Act;
<b>Initial Offer</b>	means an offer by the Company to the Continuing Shareholders pursuant to Article 21.2;
<b>Lien Enforcement Notice:</b>	has the meaning given in article 29;
<b>Listing:</b>	means the becoming effective of a listing of any Group Company's securities on a Stock Exchange or the granting of permission for any of any Group Company's securities to be traded on a Stock Exchange and the listing shall be treated as occurring on the day on which trading in the securities began;

<b>Listing Value:</b>	means, in the event of a Listing and as regards an ordinary share, the value of that share (or the share capital into which it has been converted or re-designated or attributable to it at the time of the Listing), as determined by reference to the price at which the ordinary shares of the Company are to be issued or (as appropriate) placed or, in the case of an offer for sale by tender, by reference to the applicable striking price, as part of the Listing arrangements;
<b>Model Articles:</b>	means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 ( <i>SI 2008/3229</i> ) as amended prior to the date of adoption of these articles;
<b>Nominee Purchaser</b>	means a person nominated by the Continuing Shareholders pursuant to Article 21.6 and who is willing to purchase some or all of the Transfer Shares at the Prescribed Price;
<b>Offer Period</b>	means the period of 30 days from the date upon which the Initial Offer or the Subsequent Offer (as the case may be) is made;
<b>Other Business</b>	means the business (and assets aligned thereto) of the Company which is not Trade Business;
<b>Prescribed Price</b>	means the price of the Transfer Shares as determined in accordance with Article 21.9;
<b>Remaining Assets:</b>	has the meaning given in Article 3;
<b>Sale Notice</b>	means a notice in writing from a Shareholder (or other person entitled to transfer a share registered in the name of a Shareholder) to the Company indicating the number and class of the Transfer Shares;
<b>Shareholder:</b>	means a holder for the time being of Shares;
<b>Shares:</b>	means the shares (of any class) in the Company in issue from time to time;
<b>Share Sale:</b>	means (subject as provided below) the sale or transfer of any Shares constituting at least ninety per cent of the issued share capital of the Company to a single purchaser or to one or more purchasers as part of a single transaction, or the acquisition (whether or not as part of a single transaction) of Shares constituting such an interest by any person or group of persons who are connected persons of each other or who are acting in concert and who did not previously hold such an interest but excluding any sale or transfer of Shares or interest in them as part of a Group Reorganisation;
<b>Stock Exchange:</b>	means The London Stock Exchange plc (including the Alternative Investment Market operated by The London Stock Exchange plc) or any other recognised investment exchange (as defined by

- Section 285, Financial Services and Markets Act 2000) and their respective share dealing markets;
- Subsequent Offer** means an offer made by the Company pursuant to Article 21.3 after an Initial Offer has been made;
- subsidiary:** means in relation to a holding company wherever incorporated, means a "subsidiary" (as defined in Section 1159 of the Act) for the time being and any other company which for the time being is itself a subsidiary (as so defined) of a company which is itself a subsidiary of such holding company; and
- Trade Business** means the business of the Company comprising the wholesale of fast moving consumer goods as carried out by the Company from 1<sup>st</sup> April 2021.
- Transfer Shares** means the Shares which the Transferor wishes to sell;
- Transferee(s)** means those Continuing Shareholders who have accepted an Initial Offer and/or a Subsequent Offer to purchase Transfer Shares;
- Transferor** means a Shareholder (or other person entitled to transfer a Share registered in the name of a Shareholder) who wishes to transfer or otherwise dispose of any legal or beneficial interest in any Shares or who is required or deemed to offer his Shares for transfer under Articles 21.1 or 22;
- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an 'Article' is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of any subordinate legislation from time to time made under it, and any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.6 Any phrase introduced by the terms 'including', 'include', 'in particular' or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 Where the context permits, other and otherwise are illustrative and shall not limit the sense of the words preceding them.
- 1.8 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles.
- 1.9 Articles 8, 9 (1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 21, 24 (2) (c), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the Company.

- 1.10 Article 7 (2) of the Model Articles shall be amended by the insertion of the words “(for so long as he remains the sole director)” after the words “and the director may”.
- 1.11 Article 20 of the Model Articles shall be amended by the insertion of the words “(including any alternate directors) and any secretary” before the words “properly incur”.
- 1.12 Article 26 (1) of the Model Articles shall be amended by the insertion of the words “and, unless the share is fully paid, the transferee” after the word “transferor”.
- 1.13 Article 27(3) of the Model Articles shall be amended by the insertion of the words “subject to article 10” after the word “But”.
- 1.14 Article 29 of the Model Articles shall be amended by the insertion of the words “or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under Model Article 28(2),” after the words “the transmittee's name”.
- 1.15 Articles 31(1) (a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words “either” and “or as the directors may otherwise decide” Article 31(d) of the Model Articles shall be amended by the deletion of the words “either” and “or by such other means as the directors decide.”
- 1.16 Article 36(4) of the Model Articles shall be amended by the insertion of the words “, or towards paying up any amounts unpaid on existing shares held by the persons entitled” after the words “or as they may direct”.

## **2 RIGHTS ATTACHING TO SHARES-INCOME**

- 2.1 The profits of the Company which are resolved to be divided amongst the Shareholders in any year shall be applied in paying to the holders of the A Ordinary Shares dividends from profits deriving only from the Other Business at such rates (if any) as the Board and the holder of the A Ordinary Shares shall determine from time to time.
- 2.2 The profits of the Company which are resolved to be divided amongst the Shareholders in any year shall be applied in paying to the holders of the B Ordinary Shares dividends from profits deriving only from the Trade Business at such rates (if any) as the Board and the holders of the B Ordinary Shares shall determine from time to time
- 2.3 The directors may pay an interim dividend or dividends on one or several classes of shares to the exclusion of any class or classes and may pay interim dividends at different rates on the respective classes of shares.
- 2.4 Each of the following shall be deemed to constitute a variation of the rights attached to each class of Shares:
  - 2.4.1 any alteration in the articles of association of the Company; or
  - 2.4.2 any increase or reduction or subdivision or consolidation or other alteration in the issued share capital of the Company or any of the rights attaching to any share capital.

## **3 CAPITAL RIGHTS**

- 3.1 On a return of assets on liquidation, capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities (“**Remaining Assets**”) shall be applied (to the extent that the Company is lawfully able to do so) as follows:-

- 3.1.1 in distributing the capital and assets of the Other Trade to the holders of the A Ordinary Shares pro rata to the total number of A Ordinary Shares held by them ; and
- 3.1.2 in distributing the capital and assets of the Trade Business among the holders of the B Ordinary Shares pro rata to the total number of B Ordinary Shares held by them.

#### **4 VOTING**

- 4.1 The holders of the A Ordinary Shares shall be entitled to attend meetings of Shareholders and vote solely in relation to any matters affecting the Other Business.
- 4.2 The holders of the B Ordinary Shares shall be entitled to attend meetings of Shareholders and vote in relation to any matters other than those affecting the Other Business.

#### **5 EXIT PROVISIONS**

- 5.1 On a Listing or on or following a Share Sale the Exit Proceeds attributable to the Shares shall be allocated as far as reasonably practicable in accordance with Article 3, on the basis that the Exit Proceeds shall be treated as Remaining Assets. The directors shall not register any transfer of Shares if the consideration payable (including any deferred consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale is not distributed in that manner provided that, if the Exit Proceeds are not settled in their entirety upon completion of the Share Sale:
  - 5.1.1 the directors may register the transfer of the relevant Shares, provided that the Exit Proceeds due on the date of completion of the Share Sale has been distributed in accordance with Article 3 (on the basis that the Exit Proceeds shall be treated as Remaining Assets); and
  - 5.1.2 each Shareholder shall take any reasonable action (to the extent lawful and within its control) to ensure that the balance of the Exit Proceeds are distributed in accordance with Article 3 (on the basis that the Exit Proceeds shall be treated as Remaining Assets).
- 5.2 The value of Exit Proceeds which represent consideration other than cash payable on completion of a Share Sale shall be an amount reasonably determined by the directors.
- 5.3 On a Disposal, the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 3 on the basis that such surplus assets are treated as Remaining Assets, provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, each Shareholder shall (to the extent lawful and within its control) take any reasonable action (including, but without prejudice to the generality of this Article 5.3, such action as may be necessary to put the Company into voluntary liquidation) so that Article 3 applies.

#### **6 FURTHER ISSUES OF SHARES: AUTHORITY**

- 6.1 Subject to the remaining provisions of this Article 3 and Article 7, the directors are generally and unconditionally authorised, for the purposes of section 550 of the Act or, where the Company has more than one class of shares, section 551 (1) of the Act and generally, to exercise any power of the Company to:
  - 6.1.1 offer or allot;
  - 6.1.2 grant rights to subscribe for or to convert any security into;

6.1.3 otherwise deal in, or dispose of,

shares of the classes described in Article 1.1 above to any person, at any time and subject to any terms and conditions as the directors think proper Shares may be issued as nil, partly paid or fully paid shares.

6.2 The authority referred to in Article 6.1

6.2.1 shall be limited to a maximum nominal amount of £10,000;

6.2.2 shall only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution; and

6.2.3 may only be exercised for a period of five years commencing on the date on which these articles are adopted, save that the directors may make an offer or agreement which would, or might, require ordinary shares to be allotted after the expiry of such authority (and the directors may allot ordinary shares in pursuance of an offer or agreement as if such authority had not expired).

## **7 FURTHER ISSUES OF SHARES: PRE-EMPTION RIGHTS**

7.1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.

7.2 Unless otherwise determined by special resolution, if the Company proposes to allot any Shares (other than any Shares to be held under an employees' share scheme), those Shares shall not be allotted to any person unless the Company has first offered them to all existing shareholders 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:

7.2.1 shall be in writing, shall be open for acceptance for a period of 21 business days from the date of the offer and shall give details of the number and subscription price of the relevant Shares; and

7.2.2 shall stipulate that any existing 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,

provided that this article shall not apply in the event that the Company wishes to allot Shares for non-cash consideration in which case the written approval of at least 75% of the existing shareholders, or a special resolution of the Company, must be obtained.

7.3 Any Shares not accepted by shareholders pursuant to the offer made to them in accordance with Article 7.2 shall be used for satisfying any requests for Excess Shares made pursuant to Article 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 the existing shareholders in accordance with Article 7.1 (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 existing shareholders.

- 7.4 Any Shares not allotted to shareholders in accordance with Articles 7.1 and 7.2 and to section 551 of the Act, shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.
- 7.5 No shares shall be allotted to any employee, director, prospective employee or director unless such person has entered into a joint election with the company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

## **8 DIRECTORS' MEETINGS**

- 8.1 Any 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 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing Where there is only one director such a decision is taken when that director comes to a view on the matter. 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.
- 8.2 The quorum for the transaction of business at a meeting of directors is any two directors, however if there is only one director in office, the quorum for such meeting shall be one director When the Company has only two directors, and the Board is considering whether to authorise a conflict pursuant to Article 10, the quorum for those purposes shall be one (but the director having the conflict shall not vote or count towards the quorum).
- 8.3 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall have a casting vote.

## **9 DIRECTORS' DEALINGS WITH THE COMPANY**

- 9.1 A director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the Act.
- 9.2 A director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the Act unless the interest has already been declared in accordance with Article 9.1 above.
- 9.3 Subject to sections 177(5), 177(6), 182(5) and 182(6) of the Act, the disclosures required under Articles 9.1 and 9.2 and any terms and conditions imposed by the directors, a director shall be entitled to vote in respect of any proposed or existing transaction or arrangement with the Company in which he is interested and if he shall do so his vote shall be counted and he shall be taken into account in ascertaining whether a quorum is present.
- 9.4 A director need not declare an interest under Article 9.1 and Article 9.2 as the case may be:
- 9.4.1 if it cannot reasonably be regarded as likely to give rise to a conflict of interest,
- 9.4.2 of which the director is not aware, although for this purpose a director is treated as being aware of matters of which he ought reasonably to be aware,



9.4.3 if, or to the extent that, the other directors are already aware of it, and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware; or

9.4.4 if, or to the extent that, it concerns the terms of his service contract that have been, or are to be, considered at a board meeting.

## **10 DIRECTORS' CONFLICTS OF INTEREST**

10.1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of the Act to avoid conflicts of interest ("**Conflict**") provided that the required quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director.

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

10.2.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;

10.2.2 be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine;

10.2.3 be terminated or varied by the directors at any time; and

this will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation.

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

10.3.1 disclose such information to the directors or to any director or other officer or employee of the Company; or

10.3.2 use or apply any such information in performing his duties as a director where to do so would amount to a breach of that confidence.

10.4 Where the directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the director:

10.4.1 is excluded from discussions (whether at meetings of directors or otherwise) related to the Conflict;

10.4.2 is not given any documents or other information relating to the Conflict; and

10.4.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to the Conflict.

10.5 Where the directors authorise a Conflict:

10.5.1 the director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the Conflict, and insofar as he does not do so their authorisation will no longer be valid; and

10.5.2 the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the directors impose in respect of its authorisation and provided that the conflicted director is not in breach of his duties set out in s171 to 177 of the Act otherwise than by reason of the mere existence of the conflict.

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

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

Where decisions of the directors are taken by electronic means (including but not limited to telephone, text message or e-mail) such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.

## **12 NUMBER OF DIRECTORS**

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any limitation. When the minimum number of directors shall be one, a sole director may exercise all powers and authorities vested in the directors by the Model Articles and by these articles.

## **13 ALTERNATE DIRECTORS**

13.1 Any director (other than an alternate director) (in this Article, **the appointor**) may appoint any person (whether or not a director) to be an alternate director to exercise that director's powers, and carry out that director's responsibilities, in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.

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

13.3 The notice must:

13.3.1 identify the proposed alternate; and

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

13.4 An alternate director has the same rights, in relation to any decision of the directors, as the alternate's appointor.

13.5 Except as the Articles specify otherwise, alternate directors:

13.5.1 are deemed for all purposes to be directors;

13.5.2 are liable for their own acts and omissions;

13.5.3 are subject to the same restrictions as their appointors; and

13.5.4 are not deemed to be agents of or for their appointors,

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

**13.6 A person who is an alternate director but not a director**

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

13.6.2 may participate in a unanimous decision of the directors (but only if his appointor is an Eligible Director in relation to that decision, and does not himself participate).

**13.7 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an Eligible Director in relation to that decision).**

**13.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's appointor as the appointor may by notice in writing to the Company from time to time direct.**

**13.9 An alternate director's appointment as an alternate terminates:**

13.9.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

13.9.2 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; or

13.9.3 when the alternate director's appointor ceases to be a director for whatever reason.

**14 APPOINTMENT OF DIRECTORS**

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

**15 RIGHT TO DEMAND A POLL**

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

**15.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words 'A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made' as a new paragraph at the end of that article.**

**16 PROXIES**

**16.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words 'is delivered to the Company in accordance with the articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in**

accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate.

- 16.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article.

**17 NO VOTING RIGHTS FOR SHARES ON WHICH MONEY IS OWED TO THE COMPANY**

No voting rights attached to a share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it, unless all amounts payable to the Company in respect of that share have been paid.

**18 NOTICE**

- 18.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

18.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted;

18.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;

18.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and

18.1.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

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

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

**19 INDEMNITY**

- 19.1 Subject to Article 19.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

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

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

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

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material

breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and

- 19.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 19.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.
- 19.2 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.
- 19.3 In this Article:
  - 19.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
  - 19.3.2 a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

## **20 PERMITTED TRANSFERS**

- 20.1 A Shareholder may transfer his/her Shares in the company with the prior written consent of all the Shareholders from time to time and the directors shall register such transfer.

## **21 TRANSFER OF SHARES - PRE-EMPTION RIGHTS**

Subject to any other agreement executed in writing by all the Shareholders and expressly stated to prevail over the Articles, the right to transfer Shares shall be subject to the following restrictions:

- 21.1 A Transferor shall deliver a Sale Notice to the Company specifying that he wishes to sell the Transfer Shares. The Sale Notice shall constitute the appointment of the Company as the Transferor's agent for the sale of the Transfer Shares pursuant to the provisions of this Article at the Prescribed Price. A Sale Notice shall not be withdrawn except with the consent of the directors.
- 21.2 The Company shall within 10 Business Days after a Sale Notice is given (or within 5 Business Days after the ascertainment of the Prescribed Price if later) offer the Transfer Shares to the Continuing Shareholders holding the same class of Shares as the Transferor for purchase at the Prescribed Price, pro rata to the total number of Shares held by the Continuing Shareholders holding Shares of the same class, (as nearly as may be and without increasing the number sold to any Continuing Shareholder beyond the number applied for by him). The Initial Offer shall be in writing and shall remain open for acceptance for the Offer Period.
- 21.3 The Company shall make a Subsequent Offer to those Continuing Shareholders holding Shares of the same class who previously accepted the Initial Offer in respect of any Transfer Shares not accepted pursuant to the Initial Offer. Any Subsequent Offer shall be in writing and shall remain open for acceptance for the Offer Period. The Company shall continue to make Subsequent Offers until either all of the Transfer Shares have been accepted by Shareholders holding Shares of the

same class or no Shareholder holding Shares of the same class accepts his entitlement under any Initial Offer or Subsequent Offer.

- 21.4 The Company shall then make Subsequent Offers to those Continuing Shareholders who do not hold Shares of the same class as the Transfer Shares of Transfer Shares not previously accepted, pro rata to the total number of Shares held by those Continuing Shareholders. If any Transfer Shares are not accepted pursuant to such a Subsequent Offer, the Company shall continue to make Subsequent Offers until either all of the Transfer Shares have been accepted by Shareholders not holding Shares of the same class or no Shareholder holding Shares of a different class accepts his entitlement under any Subsequent Offer.
- 21.5 If the Company shall during the Offer Period(s) find Transferees who are willing to purchase all of the Transfer Shares, the Company shall give written notice to the Transferor of the name and address of each such Transferee and the number of the Transfer Shares agreed to be purchased by him, whereupon the Transferor shall be bound, upon payment of the Prescribed Price, to transfer to the Transferees the Transfer Shares agreed to be purchased by them respectively. The sale and purchase shall be completed at a place and time (being not less than 5 and not more than 10 Business Days after the expiry of the final Offer Period) to be appointed by the directors.
- 21.6 The Continuing Shareholders acting unanimously shall be at liberty at any time before the expiration of any Offer Period to give written notice to the Transferor and the Company stating the name and address of a Nominee Purchaser and the number of the Transfer Shares which the Nominee Purchaser is willing to purchase and upon receipt of such notice the Transferor shall be bound, upon payment of the Prescribed Price, to transfer the Transfer Shares to the relevant purchaser(s). Completion of the sale and purchase of the Transfer Shares shall be completed at a place and time (being not less than 5 and not more than 10 Business Days after the expiry of the Offer Period) to be appointed by the directors.
- 21.7 If pursuant to the operation of Articles 21.2 and 21.3, the Company shall fail to find Transferees and/or Nominee Purchasers for all of the Transfer Shares within the Offer Period then, subject to due compliance with the relevant provisions of the Act the Company may purchase all or any number of the Transfer Shares at the Prescribed Price and shall serve the Transferor with written notice of its intention to do so within not more than 10 Business Days after expiration of the final Offer Period, whereupon the sales and purchases of the Transfer Shares or any of them pursuant to the provisions of this Article shall be deferred for a reasonable period so as to enable the Company to comply with the relevant provisions of the Act in connection with its purchase of the relevant number of the Transfer Shares.
- 21.8 If the Transferor shall fail to transfer any of the Transfer Shares which he has become bound to transfer, the directors may authorise some person to execute on his behalf a transfer of those Transfer Shares to the Transferees and/or the Nominee Purchaser (as the case may be) or the Company and may receive the purchase money and shall register the relevant Transferees and/or the Nominee Purchasers (as the case may be) as the holder of those Transfer Shares and issue to him a certificate for the same (whereupon such Transferees and/or the Nominee Purchasers (as the case may be) shall become indefeasibly entitled to such Transfer Shares) or cancel such Transfer Shares as are acquired by the Company. The Transferor shall in such case be bound to deliver to the Company his certificate for such Transfer Shares and the Company shall, on delivery of the certificate, pay to the Transferor the purchase money, without interest, and shall issue to him a certificate for the balance of any Shares comprised in the certificate so delivered which the Transferor has not become bound to transfer.

- 21.9 Subject to Article 21.10, the Prescribed Price for the Transfer Shares shall be such price as the Transferor and the directors shall agree or, failing agreement, the price certified (upon request by both the Transferor and the directors) by the auditors/accountants for the time being of the Company and failing such request by such independent accountants as the parties shall agree or as may be nominated by the president for the time being of the Institute of Chartered Accountants in England and Wales. The price certified shall concern basis, assuming a willing seller and a willing buyer and disregarding any restrictions on transfer, and on terms that no discount or enhancement shall be applied to the value of the Transfer Shares by reason of the fact that (if such is the case) they represent a minority or majority interest in the Company, and in so certifying, the auditors/accountants shall be deemed to be acting as experts and not as arbitrators and their certificate shall be conclusive and binding on the Transferor and the Transferees and/or the Nominee Purchasers (as the case may be) and their fees shall be paid by the parties equally unless otherwise agreed in writing between them.
- 21.10 If the Transferor is a Bad Leaver, the Prescribed Price shall be 50% of the amount agreed or determined in accordance with Article 21.9.
- 21.11 The Transferor shall not be bound to sell any Transfer Shares pursuant to the provisions of this Article unless all of the Transfer Shares are so sold.
- 21.12 If the Company shall not during the Offer Period find Transferees or be notified of Nominee Purchasers willing to purchase all of the Transfer Shares or if, through no default of the Transferor, the purchase of any Transfer Shares shall not be completed within 5 Business Days after the date appointed for this purpose by the directors, the Transferor may, subject to the Unanimous Consent of the Continuing Shareholders, at any time within 120 days after that date transfer the Transfer Shares to any third party at a price per share not less than the Prescribed Price.
- 21.13 The directors may from time to time require any Shareholder or other person entitled to transfer a share or any person named as the transferee in any transfer lodged for registration to provide the Company with such information and evidence as the directors may consider necessary to ensure that any transfer lodged for registration is authorised under these Articles or that no circumstances have arisen in which a Sale Notice ought to be given. If such information or evidence shall not be provided to the satisfaction of the directors within a reasonable time or shall disclose that any such circumstances have arisen the directors shall be entitled to refuse to register the transfer concerned or (as the case may be) to require by notice in writing that a Sale Notice be given in respect of the Shares concerned. If the directors refuse to register a transfer of a Share they shall, as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of, and the reasons for, the refusal.
- 21.14 If a Sale Notice is not given within 10 Business Days after being required by the directors to be given in accordance with the provisions of these Articles, a Sale Notice shall be deemed to have been given at the expiry of such 20 Business Days and the provisions of Articles 21.2 to 21.13 of this Article shall then take effect.
- 21.15 The directors may in their absolute discretion and without giving any reason why decline to register any transfer of any Shares not being a transfer authorised by the provisions of this Article 20.
- 21.16 Any Transfer Shares transferred to the holder of a different class of Share to the Transfer Shares shall convert into the class of Share held by the Transferee, and all Shareholders shall exercise their voting rights as Shareholders (and where applicable as directors) to pass all resolutions and do all such things as may be required to effect the same.

## **22 COMPULSORY SHARE TRANSFERS**

- 22.1 Subject always to the operation of Article 20 the Shares of a Deceased Shareholder shall be deemed to be the subject of a Sale Notice served pursuant to Article 21.1 on the date falling 20 Business Days after the date of the Deceased Shareholder's death and the PRs shall send his/her share certificate in respect of the Transfer Shares to the Company at its registered office;
- 22.2 Articles 27 to 29 of the Model Articles shall not apply.
- 22.3 If at any time a Shareholder:
- 22.3.1 (being an individual) has a bankruptcy order made against him or becomes insolvent or, (being a corporation), notice has been issued to convene a meeting for the purpose of pursuing a resolution to wind up that party or such a resolution has been passed, or legal proceedings have been taken in relation to the winding up or an administration order had been presented against that party or a proposal for a voluntary arrangement to be made in relation to that party under Part I Insolvency Act 1986 has been made;
  - 22.3.2 is assessed as lacking capacity under the Mental Capacity Act 2005 or any statutory re-enactment, amendment or modification of it;
  - 22.3.3 materially breaches any provision of these Articles or any provision of the Shareholders' Agreement as amended or varied from time to time or is in material breach of his duties as a director of the Company,

then upon the occurrence of such event, the relevant Shareholder shall be deemed to have delivered a Sale Notice to the Company in respect of all the Shares registered in his name in accordance with Article 21.1 and the provisions of Articles 21.2 to 21.13 shall apply.

## **23 SECRETARY**

The Company is not required to have a secretary, but directors may choose to appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

## **24 PURCHASE OF OWN SHARES**

- 24.1 Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) with cash up to any amount in a financial year not exceeding the lower of:
- 24.1.1 £15,000; and
  - 24.1.2 the value of 5% of the Company's share capital.

## **25 INSURANCE**

In accordance with section 233 of the Act, the directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any liability attaching to him which relates to the Company.

## **26 DIVIDENDS**

- 26.1 Except as otherwise provided for by these Articles or the rights attached to Shares, all dividends must be:



- 26.1.1 declared and paid according to the amounts paid up on the Shares on which the dividend is paid; and
- 26.1.2 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.
- 26.2 If any Share is issued on terms providing that it ranks for dividend as from a particular date that Share ranks for dividend accordingly.
- 26.3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a Share in advance of the due date for payment of that amount.

## **27 DEDUCTIONS FROM DISTRIBUTIONS IN RESPECT OF SUMS OWED TO THE COMPANY**

- 27.1 If:
  - 27.1.1 a Share is subject to the Company's lien (as defined in Article 28); and,
  - 27.1.2 the directors are entitled to issue a Lien Enforcement Notice in respect of it, they may, instead of issuing a Lien Enforcement Notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the Company in respect of that share to the extent that they are entitled to require payment under a Lien Enforcement Notice.
- 27.2 Money so deducted under 27.1 above must be used to pay any of the sums payable in respect of that share.
- 27.3 The Company must notify the distribution recipient in writing of:
  - 27.3.1 the fact and amount of any such deduction;
  - 27.3.2 any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction; and
  - 27.3.3 how the money deducted has been applied.

## **28 COMPANY'S LIEN OVER SHARES**

- 28.1 The Company has a lien (the "Company's lien") over every Share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint-holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.
- 28.2 The Company's lien over a Share:
  - 28.2.1 takes priority over any third party's interest in that Share; and
  - 28.2.2 extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.
- 28.3 The directors may at any time decide that a share which is or would otherwise be subject to the Company's lien shall not be subject to it, either wholly or in part.

## **29 ENFORCEMENT OF THE COMPANY'S LIEN**

- 29.1 Subject to the provisions of this Article, if:

- 29.1.1 a Lien Enforcement Notice has been given in respect of a Share; and
  - 29.1.2 the person to whom the notice was given has failed to comply with it,
- the Company may sell that Share in such manner as the directors decide.
- 29.2 A Lien Enforcement Notice:
- 29.2.1 may only be given in respect of a Share which is subject to the Company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
  - 29.2.2 must specify the Share concerned;
  - 29.2.3 must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
  - 29.2.4 must be addressed either to the holder of the Share or to a transmittee of that holder; and
  - 29.2.5 must state the Company's intention to sell the Share if the notice is not complied with.
- 29.3 Where Shares are sold under this Article:
- 29.3.1 the directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser; and
  - 29.3.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- 29.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
- 29.4.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice; and
  - 29.4.2 second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the Company's lien over the Shares before the sale for any money payable by that person (or his estate or any joint holder of the shares) after the date of the Lien Enforcement Notice.
- 29.5 A statutory declaration by a director (or a Company secretary, if appointed) that the declarant is a director (or Company secretary) and that a Share has been sold to satisfy the Company's lien on a specified date:
- 29.5.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
  - 29.5.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.

## **30 CALL NOTICES**

- 30.1 Subject to the Articles and the terms on which Shares are allotted, the directors may send a notice (a "call notice") to a Shareholder requiring the Shareholder to pay the Company a specified sum of

money (a "call") which is payable to the Company at the date when the directors decide to send the call notice.

**30.2 A call notice:**

30.2.1 may not require a Shareholder to pay a call which exceeds the total amount of his indebtedness or liability to the Company;

30.2.2 must state when and how any call to which it relates is to be paid; and

30.2.3 may permit or require the call to be made in instalments.

**30.3 A Shareholder must comply with the requirements of a call notice, but no Shareholder is obliged to pay any call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent.**

**30.4 Before the Company has received any call due under a call notice the directors may:**

30.4.1 revoke it wholly or in part; or

30.4.2 specify a later time for payment than is specified in the notice,

by a further notice in writing to the shareholder in respect of whose Shares the call is made.

**31 LIABILITY TO PAY CALLS**

**31.1 Liability to pay a call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid.**

**31.2 Joint holders of a Share are jointly and severally liable to pay all calls in respect of that Share.**

**31.3 Subject to the terms on which Shares are allotted, the directors may, when issuing Shares, provide that call notices sent to the holders of those Shares may require them:**

31.3.1 to pay calls which are not the same; or

31.3.2 to pay calls at different times.

**32 WHEN CALL NOTICE NEED NOT BE ISSUED**

**32.1 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the Company in respect of that Share:**

32.1.1 on allotment;

32.1.2 on the occurrence of a particular event; or

32.1.3 on a date fixed by or in accordance with the terms of issue.

**32.2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.**

**33 FAILURE TO COMPLY WITH CALL NOTICE: AUTOMATIC CONSEQUENCES**

**33.1 If a person is liable to pay a call and fails to do so by the call payment date:**

33.1.1 the directors may issue a notice of intended forfeiture to that person; and

33.1.2 until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate.

33.2 For the purposes of this article:

33.2.1 the "**call payment date**" is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the "**call payment date**" is that later date; and

33.2.2 the "**relevant rate**" is:

33.2.2.1 the rate fixed by the terms on which the share in respect of which the call is due was allotted;

33.2.2.2 such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors; or

33.2.2.3 if no rate is fixed in either of these ways, 5 per cent per annum.

33.3 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.

33.4 The directors may waive any obligation to pay interest on a call wholly or in part.

#### **34 NOTICE OF INTENDED FORFEITURE**

34.1 A notice of intended forfeiture:

34.1.1 may be sent in respect of any Share in respect of which a call has not been paid as required by a call notice;

34.1.2 must be sent to the holder of that Share (or all the joint holders of that Share) or to a transmittee of that holder;

34.1.3 must require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);

34.1.4 must state how the payment is to be made; and

34.1.5 must state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited.

#### **35 DIRECTORS' POWER TO FORFEIT SHARES**

If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.

#### **36 EFFECT OF FORFEITURE**

36.1 Subject to the Articles, the forfeiture of a Share extinguishes:

36.1.1 all interests in that Share, and all claims and demands against the Company in respect of it; and

- 36.1.2 all other rights and liabilities incidental to the Share as between the person whose share it was prior to the forfeiture and the Company.
- 36.2 Any Share which is forfeited in accordance with the Articles:
  - 36.2.1 is deemed to have been forfeited when the directors decide that it is forfeited;
  - 36.2.2 is deemed to be the property of the Company; and
  - 36.2.3 may be sold, re-allotted or otherwise disposed of as the directors think fit.
- 36.3 If a person's Shares have been forfeited:
  - 36.3.1 the Company must send that person notice that forfeiture has occurred and record it in the register of shareholders;
  - 36.3.2 that person ceases to be a Shareholder in respect of those Shares;
  - 36.3.3 that person must surrender the certificate for the Shares forfeited to the Company for cancellation;
  - 36.3.4 that person remains liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
  - 36.3.5 the directors may waive payment of such sums 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.

## **37 PROCEDURE FOLLOWING FORFEITURE**

- 37.1 If a forfeited Share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer.
- 37.2 A statutory declaration by a director or the Company secretary that the declarant is a director or the Company secretary and that a Share has been forfeited on a specified date:
  - 37.2.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
  - 37.2.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.
- 37.3 A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.
- 37.4 If the Company sells a forfeited Share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which:
  - 37.4.1 was, or would have become, payable; and
  - 37.4.2 had not, when that share was forfeited, been paid by that person in respect of that Share, but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.

**38 SURRENDER OF SHARES**

38.1 A Shareholder may surrender any Share:

38.1.1 in respect of which the directors may issue a notice of intended forfeiture;

38.1.2 which the directors may forfeit; or

38.1.3 which has been forfeited.

38.2 The directors may accept the surrender of any such Share.

38.3 The effect of surrender on a Share is the same as the effect of forfeiture on that Share.

38.4 A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited.