

Company number 10822696

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

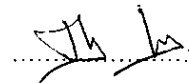
ADPILOT LIMITED

(the "Company")

The following resolution was duly passed as a special resolution on 11/8/17 2017 by way of a written resolution under Chapter 2 of Part 13 of the Companies Act 2006.

SPECIAL RESOLUTION

"THAT the articles of association attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association."


.....
Director

TUESDAY



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15/08/2017

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COMPANIES HOUSE

Company number 10822696

A PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

ADPILOT LIMITED

(the "Company")

(adopted by special resolution of the Company passed on 11th August 2017)

Part 1

Introduction

1. Interpretation

- 1.1 The following definitions and rules of interpretation shall apply in these Articles:

Act: the Companies Act 2006.

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

Bad Leaver: a Departing Employee Shareholder who becomes a Departing Employee Shareholder in circumstances where he is not a Good Leaver.

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

Conflict: a situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.

Controlling Shareholder: a registered holder for the time being of not less than 75% in nominal value of the equity share capital of the Company from time to time.

Departing Employee Shareholder: an Employee Shareholder who ceases to be a director or employee of the Company or a member of the Group.

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

Employee Shareholder: any Shareholder who is, or has been, an employee of the Company, Varn Media Limited (company number 07239443) or a member of the Group of either such company, apart from any person who is the Controlling Shareholder as at the date of adoption of these Articles.

Fair Value: in relation to shares, as determined in accordance with Article 15.

Good Leaver: an Employee Shareholder who becomes a Departing Employee Shareholder by reason of: (a) death; (b) permanent disability or permanent incapacity through ill-health; (c) retirement at normal retirement age; or (d) dismissal by the Company, Varn Media Limited (company number 07239443) or a member of the Group of either such company which is determined, by an employment tribunal or at a court of competent jurisdiction from which there is no right to appeal, to be wrongful or constructive and/or unfair (other than purely procedurally unfair).

Group: a company, any subsidiary or any holding company of the company from time to time, and any subsidiary from time to time of a holding company and “**member of the Group**” shall mean any of them.

holding company: has the meaning given in article 1.5.

Model Articles: the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229), as amended prior to the date of adoption of these Articles and reference to a numbered **Model Article** is a reference to that article of the Model Articles.

Shareholder: a holder for the time being of any share in the Company.

subsidiary: has the meaning given in article 1.5.

Termination Date: means:

- (a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires;
- (b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;
- (c) in any other case, the date on which the employment is terminated.

Valuers: an independent firm of accountants jointly appointed by the Company and the Seller or, in the absence of agreement between the Company and the Seller on the identity of the expert within 10 Business Days of the expiry of the 10 Business Day period referred to in Article 12.2, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants in England and Wales (in each case acting as an expert and not as an arbitrator).

1.2 Unless expressly provided otherwise 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. The final paragraph of Model Article 1 shall not apply to the Company.

1.3 A reference in these Articles to a numbered **Article** is a reference to the relevant article of these Articles unless expressly provided otherwise.

1.4 Unless expressly provided otherwise in these Articles, 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:

- (a) any subordinate legislation made under it, whether before or after the date of adoption of these Articles; and
- (b) any amendment or re-enactment, whether before or after the date of adoption of these Articles and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.

This article 1.4 shall not apply to the definition of **Model Articles** in article 1.1.

1.5 A reference to a **holding company** or **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act.

1.6 The **Model Articles** shall apply to the Company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.

1.7 Model Articles 8(3), 11(2) and (3), 14(1), (2), (3) and (4), 38, 52 and 53 shall not apply to the Company.

1.8 Model Article 7 shall be amended by:

- (a) the insertion of the words "for the time being" at the end of Model Article 7(2)(a); and
- (b) the insertion in Model Article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".

1.9 In Model Article 8(2), the words "copies of which have been signed by each eligible director" shall be deleted and replaced with the words "of which each Eligible Director has signed one or more copies".

1.10 Model Article 20 shall be amended by the insertion of the words "and the company secretary (if any)" before the words "properly incur".

1.11 In Model Article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".

1.12 In Model Article 30(4), the words "the terms on which shares are issued" shall be deleted and replaced with "the rights attached to any shares".

1.13 In Model Article 32(a), the words "the terms on which the share was issued" shall be deleted and replaced with "the rights attached to the share".

1.14 Model Article 44(3) 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 Model Article.

Part 2

Directors

2. Directors' general authority

Any or all powers of the directors (or any of them) shall be restricted in such respects, to such extent and for such duration as a Controlling Shareholder may from time to time by notice in writing to the Company prescribe.

3. Quorum for directors' meetings

The quorum for the transaction of business at a meeting of directors is two Eligible Directors.

4. Transactions or other arrangements with the Company

4.1 Subject to section 177(5) and (6) and section 182(5) and (6) of the Act, and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

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

- 4.2 The provisions of article 4.1(a) to article 4.1(f) (inclusive) are subject, where applicable, to any terms and conditions imposed by the directors in accordance with article 5.3.

5. **Directors' conflicts of interest**

- 5.1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).

- 5.2 Any authorisation under this article 5 will be effective only if:

- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested director; and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested director's vote had not been counted.

- 5.3 Any authorisation of a Conflict under this article 5 may (whether at the time of giving the authorisation or subsequently):

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
- (c) provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose that information to the company, or to use it in relation to the company's affairs where to do so would amount to a breach of that confidence; and
- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be

excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.

- 5.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 5.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 5.6 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.

6. **Records of decisions to be kept**

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in a form that enables the directors to retain a copy of such decisions.

7. **Appointment and removal of directors**

- 7.1 A Controlling Shareholder may at any time and from time to time by notice in writing to the Company appoint one or more persons to be a director or directors of the Company and to remove any director or directors from office (whether or not appointed pursuant to this article 7).
- 7.2 Model Article 18 shall be amended by the inclusion of the words "notification of the director's removal is received by the Company from a Controlling Shareholder pursuant to Article 7.1" as a new paragraph (g) at the end of that Model Article.
- 7.3 Any removal of a director pursuant to article 7.1 shall be without prejudice to any claim for breach of contract under any employment agreement between the Company and the director so removed.

8. **Secretary**

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and on 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.

Part 3

Shares and Shareholders

9. Variation of Class Rights

- 9.1 No variation of the rights attaching to any class of shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of shares. Where a special resolution to vary the rights attaching to a class of shares is proposed at a separate general meeting of that class of shares, all the provisions of these Articles as to general meetings of the Company shall mutatis mutandis apply.
- 9.2 Each of the following shall be deemed to constitute a variation of the rights attached to each class of shares:
- (a) any alteration in the Articles;
 - (b) any reduction, subdivision, consolidation, redenomination, or purchase or redemption by the Company of its own shares or other alteration in the share capital of the Company or any of the rights attaching to any share capital; and
 - (c) any resolution to put the Company into liquidation.

10. Purchase of Own Shares

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

- (a) £15,000; and
- (b) the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.

11. Share Transfers

- 11.1 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.
- 11.2 No Shareholder shall transfer any share except:
- (a) with the prior written consent of the other Shareholders; or
 - (b) in accordance with Articles 12, 13, 16, or 17.
- 11.3 No Share shall be transferred, and the directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles.

12. Pre-Emption Rights

- 12.1 A Shareholder (the "**Seller**") wishing to transfer shares in the capital of the Company (the "**Sale Shares**") shall give notice in writing (a "**Transfer Notice**") to the Company and other Shareholders (excluding any Shareholder whose shares are, at the date of the Transfer Notice, the subject of a Deemed Transfer Notice under Article 13.2) (the "**Continuing Shareholders**") specifying:
- (a) the details of the proposed transfer;
 - (b) the identity of the proposed buyer(s);
 - (c) the proposed price for each Sale Share (the "**Proposed Sale Price**"); and
 - (d) each Continuing Shareholder's proportionate entitlement to the Sale Shares, being the same proportion of the Sale Shares as the proportion that the number of shares held by him bears to the total number of shares held by the Continuing Shareholders (in respect of each Continuing Shareholder, his "**Entitlement**").
- 12.2 Any Continuing Shareholder may, by giving notice in writing (a "**Price Notice**") to the Seller at any time within 10 Business Days of receipt of a Transfer Notice, notify the Seller that the Proposed Sale Price is too high. Following service of a Price Notice, the Shareholders shall endeavour to agree a price for the Sale Shares. If the Shareholders have not agreed such a price within 15 Business Days of the Seller's receipt of a Price Notice, they (or any of them) shall immediately instruct the Valuers to determine the Fair Value of the Sale Share in accordance with Article 15.
- 12.3 If, following delivery to him of the Valuers' written notice in accordance with Article 15, the Seller does not agree with Valuers' assessment of the Fair Value of the Sale Shares, he shall be entitled to revoke the Transfer Notice by giving notice in writing to the Continuing Shareholders within five Business Days of delivery to him of the Valuers' written notice. If the Seller revokes the Transfer Notice, he is not entitled to transfer the Sale Shares except in accordance with these Articles.
- 12.4 Within 20 Business Days of receipt (or deemed receipt) of a Transfer Notice or, if later, within 20 Business Days of receipt of the Valuers' determination of the Fair Value (and provided the Seller has not withdrawn the Transfer Notice in accordance with Article 12.3), the Board shall determine if the Company shall purchase Sale Shares at the Sale Price. If: (a) the Board determines that it is in the Company's best interests so to do; and (b) the Company is permitted so to do in accordance with the Act, the Company shall purchase some or all of the Sale Shares as soon as possible. If the Company purchases some but not all of the Sale Shares, each Continuing Shareholder's Entitlement shall be reduced proportionately to reflect the fewer Sale Shares left available for purchase by them.
- 12.5 If the Board does not resolve that the Company should buy all of the Sale Shares, then within 20 Business Days of the expiry of the period set out in Article 12.4 or resolution of the Board not to buy shares (whichever is the earlier), a Continuing Shareholder shall be entitled (but not obliged) to give

notice in writing (an "**Acceptance**") to the Seller stating that he wishes to purchase his Entitlement (adjusted, if necessary, pursuant to Article 12.4) to the Sale Shares at the Sale Price.

- 12.6 No Continuing Shareholder shall be entitled to purchase less than his Entitlement to Sale Shares.
- 12.7 If a Continuing Shareholder gives an Acceptance, completion of the sale and purchase of the Sale Shares comprised within his Entitlement (a "**Share Transfer Completion**") shall take place in accordance with Article 14.
- 12.8 If, at the expiry of the period specified in Article 12.5, an Acceptance has not been received from a Continuing Shareholder, the Seller shall be entitled to transfer the Sale Shares to which such Continuing Shareholder's Entitlement relates to the third party buyer identified in the Transfer Notice at a price per Sale Share not less than the Sale Price, whereupon the Transfer Notice shall be deemed to have lapsed and be of no further effect.

13. **Compulsory Transfer**

- 13.1 A Shareholder is deemed to have served a Transfer Notice under Article 12.1 (a "**Deemed Transfer Notice**") in respect of all of his shares immediately before any of the following events of default:
 - (a) in the case of a Shareholder who is an individual, a bankruptcy order being made against him, or an arrangement or composition being made with his creditors, or where he otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors;
 - (b) in the case of a Shareholder which is a body corporate, it either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or suffers or takes any equivalent action in any jurisdiction outside England and Wales; or
 - (c) the Shareholder (being an Employee Shareholder) becoming a Departing Employee Shareholder (a "**Compulsory Employee Transfer**") (unless the Board otherwise directs in writing within 10 Business Days of the relevant Termination Date that a Transfer Notice shall not be deemed to have been served). For the purpose of this article 13.1(c), the Transfer Notice is deemed to have been served on the relevant Termination Date.
- 13.2 The Deemed Transfer Notice has the same effect as a Transfer Notice, except that:
 - (a) the Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the shares and, subject to article 13.2(b), the Sale Price shall be the Fair Value of those shares, determined by the Valuers in accordance with Article 15;
 - (b) the Sale Price in respect of a Compulsory Employee Transfer shall, where the Departing Employee Shareholder is:

- (i) a Bad Leaver, be restricted to a maximum of the lower of the aggregate subscription price paid in respect of the Sale Shares, including any share premium, and the aggregate Fair Value of such Sale Shares; and
 - (ii) a Good Leaver, be the aggregate Fair Value of such Sale Shares; and
- (c) the Seller does not have a right to withdraw the Transfer Notice following a valuation.

14. Completion of Share Transfer

14.1 This Article applies only to transfers between the Shareholders pursuant to Articles 12 and 13 (unless otherwise provided in such articles).

14.2 At such completion:

- (a) the Seller shall deliver, or procure that there is delivered to each Continuing Shareholder who is to purchase Sale Shares, a duly completed stock transfer form transferring the legal and beneficial ownership of the relevant Sale Shares to him, together with the relevant share certificate(s) (or an indemnity in lieu thereof) and such other documents as the Continuing Shareholders or the Company may reasonably require to show good title to the shares, or to enable him to be registered as the holder of the shares; and
- (b) each relevant Continuing Shareholder shall deliver or procure that there is delivered to the Seller a bankers' draft made payable to the Seller or to his order for the Sale Price for the Sale Shares being transferred to him (or such other method of payment agreed between a Continuing Shareholder and the Seller).

14.3 If any Continuing Shareholder fails to pay the Sale Price (or any instalment thereof) payable by him on the due date, without prejudice to any other remedy which the Seller may have, the outstanding balance of that Sale Price shall accrue interest at a rate equal to three per cent. per annum above the base rate of Barclays Bank Plc from time to time.

14.4 Each of the Continuing Shareholders shall procure (insofar as is lawfully possible in the exercise of his rights and powers as a Shareholder of the Company) the registration (subject to due stamping by the Continuing Shareholders) of the transfers of the Sale Shares under this Article 12 and each of them consents to such transfers and registrations.

14.5 If a Seller fails to complete the transfer of shares as required under this Article, the chairman of the Company (or, failing him, one of the other directors, or some other person nominated by the transferee) may, as agent on behalf of the Seller:

- (a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant shares to the transferee; and
- (b) receive the purchase price and give a good discharge for it.

15. **Fair Value**

15.1 The "**Fair Value**" for any Sale Share shall be determined in writing by the Valuers on the following general bases and assumptions:

- (a) valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent or for the rights or restrictions applying to the Sale Shares;
- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- (c) the sale is to be on arms' length terms between a willing seller and a willing buyer;
- (d) the shares are sold free of all encumbrances; and
- (e) reflecting any other factors which the Valuers reasonably believe should be taken into account.

16. **Tag Along**

16.1 Article 16.2 to Article 16.5 shall apply if the Controlling Shareholder proposes to transfer all of its shares to a *bona fide* purchaser (the "**Buyer**") on arm's length terms (the "**Proposed Transfer**").

16.2 Before making a Proposed Transfer, the Controlling Shareholder shall procure that the Buyer makes an offer (the "**Offer**") to the Continuing Shareholders to purchase all of their shares held by them for a consideration in cash per share that is at least equal to the price per share offered by the Buyer in the Proposed Transfer (the "**Specified Price**").

16.3 The Offer shall be made by written notice (the "**Offer Notice**"), at least 20 Business Days before the proposed transfer date (the "**Transfer Date**"). To the extent not described in any accompanying documents, the Offer Notice shall set out:

- (a) the identity of the Buyer;
- (b) the Specified Price and other terms and conditions of payment;
- (c) the Transfer Date; and
- (d) the number of Shares proposed to be purchased by the Buyer (the "**Offer Shares**").

16.4 If the Buyer fails to make the Offer in accordance with Article 16.2 and Article 16.3, the Majority Shareholders shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer.

16.5 If the Offer is accepted by a Continuing Shareholder in writing within 10 Business Days of receipt of the Offer Notice, the completion of the Proposed

Transfer shall be conditional on completion of the purchase of all the Offer Shares held by such Shareholder.

17. **Drag Along**

- 17.1 If the Controlling Shareholder wishes to transfer all (but not some only) of its respective shares to a bona fide purchaser on arm's length terms (the "**Proposed Buyer**"), the Controlling Shareholder may require all other holders of shares in the Company to sell and transfer their shares (the "**Called Shares**") to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this article (the "**Drag Along Option**").
- 17.2 The Controlling Shareholder may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholders (the "**Drag Along Notice**") at any time before the transfer of the Controlling Shareholder's shares to the Proposed Buyer. The Drag Along Notice shall specify:
- (a) that the relevant Called Shareholder is required to transfer all of his Called Shares pursuant to this Article 17;
 - (b) the person to whom the Called Shares are to be transferred;
 - (c) the purchase price payable for the Called Shares which shall, for each Called Share, be a cash amount at least equal to the price per share offered by the Proposed Buyer for the Majority Shareholders' shares; and
 - (d) the proposed date of the transfer.
- 17.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Controlling Shareholder has not sold its shares to the Proposed Buyer within 20 Business Days of serving the Drag Along Notice. The Controlling Shareholder may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 17.4 No Drag Along Notice shall require the Called Shareholders to agree to any terms except those specifically set out in this Article 17.
- 17.5 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 Majority Shareholders' shares unless:
- (a) the Majority Shareholders and the Called Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by them; or
 - (b) that date is less than 15 Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the twentieth Business Day after service of the Drag Along Notice.
- 17.6 Neither the proposed sale of the Majority Shareholders' shares to the Proposed Buyer nor the sale of the Called Shares by the Called Shareholders shall be subject to the rights of pre-emption set out in Article 12.

- 17.7 On or before the Completion Date, the Called Shareholders shall execute and deliver a stock transfer form(s) for the Called Shares, together with the relevant share certificate(s) (or a suitable indemnity for any lost share certificate(s)) 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 17.2 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.
- 17.8 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 form(s) and share certificate(s) (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this Article 17 in respect of their shares.
- 17.9 If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with Article 17.7) transfer(s) in respect of all of the Called Shares held by him, that Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Majority 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 he may direct) as the holder thereof. 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 such person. Failure to produce a share certificate shall not impede the registration of shares under this Article 17.9.

Part 4

Decision-making by Shareholders

18. Quorum for general meetings

- 18.1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 18.2 Where the Company has only one shareholder for the time being, one qualifying person (as defined in section 318 of the Act) present at the meeting shall be a quorum. In any other case, the quorum shall be:
- (a) a Controlling Shareholder present in person, by proxy or by authorised representative; or
 - (b) if the Company does not have a Controlling Shareholder for the time being, any two shareholders present in person, by proxy or by authorised representative.

19. Proxies

- 19.1 Model Article 45(1)(d) 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".
- 19.2 Model Article 45(1) 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 Model Article.

20. Perfection, Enforcement or Realisation of Security

The provisions of Model Article 26 (Transfer of shares) shall not apply to any shares that are the subject of a transfer required for the perfection, enforcement or realisation of any security over such shares by a chargee (and its permitted assignees and successors in title), where a shareholder has granted security over its shares to secure any financial indebtedness.

Part 5

Administrative Arrangements

21. Change of company name

The name of the Company may be changed by:

- (a) a decision of the directors; or
- (b) a special resolution of the shareholders,

or otherwise in accordance with the Act.

22. Means of communication to be used

22.1 Subject to article 22.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- (b) if sent by fax, at the time of transmission; or
- (c) if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or
- (d) if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied; or
- (e) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website; and
- (f) if deemed receipt under the previous paragraphs of this article 22.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt. For the purposes of this article, all references to time are to local time in the place of deemed receipt.

22.2 To prove service, it is sufficient to prove that:

- (a) if delivered by hand, the notice was delivered to the correct address; or
- (b) if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
- (c) if sent by post, the envelope containing the notice was properly addressed, paid for and posted; or
- (d) if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

23. Indemnity and insurance

23.1 Subject to article 23.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

(a) 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:

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

(ii) 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, or regulatory investigation or action, in which judgment is given in his favour or in which he is acquitted or the proceedings are, or the investigation or action is, 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

(b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings, investigation, action or application referred to in article 23.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

23.2 This article 23 does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law and any such indemnity is limited accordingly.

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

23.4 In this article 23:

(a) **associated company** means any member of the Group and **associated companies** shall be construed accordingly;

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

(c) 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).