

**COMPANIES ACT 2006**  
**WRITTEN RESOLUTIONS**

**of**

**RETAIL MONEY MARKET LIMITED (the "Company") Reg. No 07075792**

On the 7<sup>th</sup> day of July 2016 the attached written resolutions were agreed and passed by members This included the adoption of revised Articles of Association .

Signed 

Name **HARRY RUSSELL (DIRECTOR)**

MONDAY



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LD2 25/07/2016 #59  
COMPANIES HOUSE

## WRITTEN RESOLUTIONS

of

**RETAIL MONEY MARKET LIMITED (the "Company") Reg. No 07075792**

**Circulated 15 June 2016 (the "Circulation Date")**

In accordance with Chapter 2 of Part 13 of the Companies Act 2006, the Directors of the Company propose the following resolutions and that resolutions 1, 2 and 3 are passed as special resolutions (together the "**Resolutions**")

### **SPECIAL RESOLUTIONS**

- 1 THAT, the articles of association produced to the meeting (the "**New Articles of Association**") be adopted in substitution for the existing articles of association of the Company
- 2 THAT the Ordinary Shares of £0 000001 each are redesignated and renamed as A Ordinary Shares of £0 000001 each
- 3 THAT, in accordance with section 570 of the Companies Act 2006, the Directors be generally empowered to allot equity securities (as defined in section 560 of the Companies Act 2006) pursuant to the authority conferred by Resolution 4, as if section 561(1) of the Companies Act 2006 did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities up to an aggregate total number of 1,213,520 shares (the "**Maximum Allotment**") and expires on the date the power to allot under Resolution 4 expires (unless renewed, varied or revoked by the Company prior to or on that date) save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired

### **ORDINARY RESOLUTION**

- 4 THAT, the Directors are authorised, from time to time, to offer or allot A Ordinary Shares or B Ordinary Shares, grant rights to subscribe for or otherwise deal in, or dispose of the A Ordinary Shares or B Ordinary Shares on such terms and at such time as they may decide up to the Maximum Allotment and this authority may only be exercised until 5 years after the passing of the resolution by virtue of which the New Articles of Association are adopted provided that the Directors may, before such expiry make one or more offers or agreements which would or might require A Ordinary Shares and/or B Ordinary Shares to be allotted after such expiry and the Directors may allot A Ordinary Shares and/or B Ordinary Shares after such authority has expired in pursuance of every such offer or agreement as if the power conferred by these New Articles of Association had not expired, and this authority shall only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution or by a written resolution in accordance with section 282(2) of the Act

### **AGREEMENT**

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Please read the notes below before signifying your agreement to the Resolutions. Please note that your agreement will be included in the calculation of whether Consent Majority has been achieved for the purposes of the Subscription and Shareholders' Agreement.

The undersigned, a person entitled to vote on the Resolutions on 15 June 2016, the Circulation Date, hereby irrevocably agrees to the Resolutions.

Signed

Name

Date

#### NOTES

- a) You can choose to agree to all of the Resolutions or none of them but you cannot agree to only some. If you agree to all of the Resolutions, please indicate your agreement by signing and dating this document where indicated above. If you do not agree to all of the Resolutions, you do not need to do anything. You will not be deemed to agree if you fail to reply.
- b) Once you have indicated your agreement to the Resolutions, this is irrevocable.
- c) Unless by *28 days later*, sufficient agreement is received for the Resolutions to pass, they will lapse.
- d) In the case of joint holders of shares, only the vote of the person whose name first appears in the register of members will count.
- e) If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

**The Companies Act 2006**

**Articles of Association of Retail Money Market Ltd**

**Private company limited by shares**

**(Incorporated on 13 November 2009)**

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## The Companies Act 2006

### Articles of Association of Retail Money Market Ltd

Private company limited by shares  
(Adopted by special resolution on 7 July  
2016)

#### 1 DEFINITIONS AND INTERPRETATION

1.1 In these Articles unless there is something in the subject or context inconsistent therewith:

"£" means pound sterling, the lawful currency of the United Kingdom,

"Act" means the Companies Act 2006 including any modification or re-enactment thereof for the time being in force,

"acting in concert" has the meaning set out in the City Code on Takeovers and Mergers,

"Allocation Notice" has the meaning set out in article 7.9 (Pre-emption Rights),

"Appointed Director" shall have the meaning set out in the Subscription and Shareholders' Agreement;

"Articles" means these articles (as amended from time to time) and "article" means the appropriate section of the Articles,

"Associated Companies" has the meaning set out in article 15.3 (Indemnity and Benefits),

"Auditors" means the auditors for the time being of the Company,

"A Ordinary Shares" means the voting A ordinary shares of £0.000001 each in the capital of the Company;

"A Shareholders" means the registered holders of the A Ordinary Shares,

**"Bad Reason"** has the meaning given to it in article 9 3 (Compulsory Transfers),

**"B Ordinary Shares"** means the non-voting B ordinary shares of £0 000001 each in the capital of the Company;

**"B Shareholders"** means the registered holders of the B Ordinary Shares (which, for the avoidance of doubt includes the holders of any B Sub-Class shares),

**"B Sub-Class"** means a sub-class or series of the B Ordinary Shares, having a distinct identifying name,

**"Board"** means the board of Directors of the Company for the time being or, as the context may admit, any duly authorised committee thereof,

**"Board Minutes"** means the minutes of a meeting of the Board duly recorded and approved by the Board and which form part of the records of the Company,

**"call payment date"** has the meaning set out in article 17.4 (Calls on Shares and Forfeiture),

**"Called Shareholders"** has the meaning set out in article 6.2 (Tag Along and Come Along),

**"Calling Shareholders"** has the meaning set out in article 6 2 (Tag Along and Come Along);

**"Capital Distributable Amount"** means the balance of any Returnable Capital Proceeds less the aggregate Growth Proceeds calculated to be payable to the B Shareholders pursuant to article 2 10 and/or 3 at the relevant time,

**"Cessation Date"** means the date upon which a person becomes a Departing Employee;

**"Come Along Notice"** has the meaning set out in article 6 2 (Tag Along and Come Along);

**"Commencement Date"** means.

- (a) for each of Rhydian Lewis and Peter Behrens, 22 April 2010, and
- (b) for each other employee, the date of commencement of employment with the Group of that employee,

**"Company"** means Retail Money Market Ltd (No 7075792),

**"Compulsory Transfer Notice"** has the meaning set out in article 9 1 (Compulsory Transfers),

**"connected"** in the context of determining whether one person is connected with another, shall be determined in accordance with the provisions of section 839 of the Income and Corporation Taxes Act 1988,

**"corporation"** means any body corporate or association of persons whether or not a company within the meaning of the Act,

**"Cost"** has the meaning set out in article 9 3 (Compulsory Transfers),

**"Departing Employee"** means

- (a) any individual who is an employee or Director of one or more Group Companies (other than any Appointed Director) who ceases to be so and who does not begin or continue otherwise to provide services to any Group Company, or
- (b) any individual whose services are otherwise provided to any one or more Group Companies and cease to be so and who does not become or continue to be an employee or Director of one or more Group Companies,

**"Departing Employee's Group"** means:

- (a) a Departing Employee;
- (b) the trustees for the time being of a Family Trust of the Departing Employee,
- (c) any other person designated by the Board in writing for the purpose of article 9.1 (Compulsory Transfers) in relation to the Departing Employee as a condition of any issue of shares to them by the Company,
- (d) the nominees of any of the persons in the preceding three categories,

**"Director"** means a director of the Company,

**"dividend"** includes any distribution whether in cash or in kind,

**"electronic communication"** has the same meaning as in the Electronic Communications Act 2000,

**"Employees' Share Scheme"** has the same meaning given to it in section 1166 of the Act and which has been adopted by the Company, from time to time;

**"Employee Trust"** means any trust established by any Group Company for the benefit of employees of the Group, former employees of the Group and any members of the families of any such employees or former employees,

**"Enterprise Value"** has the meaning set out in article 9.5 (Compulsory Transfers),

**"Family Member"** means, in relation to a holder, any of his spouse (or widow or widower), brothers, sisters, parents, children and grandchildren;

**"Family Trust"** means, in relation to a holder, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that holder or any of his Family Members and under which no power of control over the voting powers conferred by any shares the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such holder or any of his Family Members;

**"forfeiture notice"** has the meaning set out in article 17.4 (Calls on Shares and Forfeiture),

**"FSMA"** means the Financial Services and Markets Act 2000,

**"Good Reason"** has the meaning set out in article 9.3 (Compulsory Transfers),

**"Group Company"** means the Company, any parent undertaking of the Company, any subsidiary undertaking of the Company or any subsidiary undertaking of a parent undertaking of the Company for the time being and **"Group"** shall be construed accordingly;



**"Growth Proceeds"** means in relation to the B Ordinary Shares or, if the B Ordinary Shares have been divided into B Sub-Classes, each such B Sub-Class (the **"Relevant Sub-Class"**) the amount determined by the following formula:

**(A-B)xC/D** where

A = Returnable Capital Proceeds (or the consideration on a Sale where article 3 applies)

B = Threshold Amount in relation to the Relevant Sub-Class

C = number of B Ordinary Shares or, if the B Ordinary Shares have been divided into B Sub-Classes, the aggregate number of shares comprising the Relevant Sub-Classes, and

D = total number of issued shares of the Company at the time the Returnable Capital Proceeds are distributed in accordance with article 2.10 (or the consideration of a Sale are distributed pursuant to article 3);

**"holder"** in relation to shares in the capital of the Company, means the person(s) entered in the register of members of the Company as the holder of the shares,

**"Investor Group"** means, in relation to any corporate shareholder, that shareholder and its connected persons from time to time;

**"IPO"** means

- (a) together the admission of any part of the share capital of the Company to the Official List of the Financial Services Authority becoming effective in accordance with paragraph 7.1 of the Listing Rules and their admission to trading on the London Stock Exchange's main market for listed securities becoming effective in accordance with paragraph 2.1 of the Admission and Disclosure Standards of the London Stock Exchange,
- (b) the grant of permission for dealings therein on AIM (a market of the London Stock Exchange), or
- (c) their admission to listing on any recognised investment exchange (as that term is used in section 285 of FSMA),

**"ITEPA"** means the Income Tax (Earnings and Pensions) Act 2003,

**"IUMV"** means the initial unrestricted market value of the SIP Shares at the time of the grant of the relevant SIP award subject to any restrictions, for the purposes of Part 7 of ITEPA;

**"Liabilities"** has the meaning set out in article 15.1 (Indemnity and Benefits),

**"lien enforcement notice"** has the meaning set out in article 16.3 (Lien on Shares),

**"Listing Rules"** means the listing rules made by the UK Listing Authority pursuant to Part VI of FSMA,

**"London Stock Exchange"** means the London Stock Exchange plc,

**"Market Value"** in relation to shares (for the avoidance of doubt, taking into account their respective rights as provided for by the Articles, in particular articles 2 and 3) means the value thereof determined in accordance with articles 9.4 and 9.5 (Compulsory Transfers);

**"Model Articles"** means the model articles for private companies limited by shares contained in schedule 1 of The Companies (Model Articles) Regulations 2008 (SI 2008 No 3229) as amended prior to the date of adoption (including on incorporation) of these Articles and **"Model Article"** is in reference to the appropriate section of the Model Articles,

**"Nominee"** has the meaning set out in article 8.9 (Nominee Arrangement),

**"officer"** means and includes a Director, manager or the secretary of the Company;

**"Ordinary Shares"** means the A Ordinary Shares and the B Ordinary Shares,

**"Original Investor"** means an Investor who subscribed for shares pursuant to the Subscription and Shareholders' Agreement,

**"Permitted Investor Transferee"** means in relation to any corporate shareholder

- (a) any member for the time being of its Investor Group,
- (b) any body corporate or other entity controlled by that shareholder or another member of its Investor Group or any investment manager or adviser of such shareholder,
- (c) any investment fund or trust or partnership or mandate controlled or managed or advised (in an investment adviser or investment manager capacity) or promoted by (i) such shareholder or (ii) another member of its Investor Group, or
- (d) a nominee or custodian for any of the above,

**"Pre-emption Notice"** has the meaning set out in article 7 2 (Pre-emption Rights),

**"Purchasing Shareholders"** has the meaning set out in article 7 7 (Pre-emption Rights);

**"relevant rate"** has the meaning set out in article 17 4 (Calls on Shares and Forfeiture),

**"Relevant Securities"** has the meaning set out in article 5.4 (Transfer of Shares),

**"Relevant Sub-Class"** has the meaning set out in the definition of Growth Proceeds,

**"Requested Shares"** has the meaning set out in article 7 7 (Pre-emption Rights),

**"Response Date"** has the meaning set out in article 7 6 (Pre-emption Rights),

**"Response Notice"** has the meaning set out in article 7.6 (Pre-emption Rights);

**"Restricted Period"** has the meaning given to it in the relevant Share Acquisition Agreement as it may apply to the shares acquired by the relevant employee pursuant to an Employees' Share Scheme,

**"Returnable Capital Proceeds"** in the context of article 2 10, means on a return of capital on liquidation, reduction of capital or otherwise, the surplus assets of the Company remaining after payment of its liabilities,

**"Sale"** means (a) the transfer (including any transfer within the meaning of article 5 2 (Transfer of Shares)) (whether through a single transaction or a series of transactions) of shares in the Company as a result of which any person (or persons connected with each other, or persons acting in concert with each other) would have the legal or beneficial ownership over that number of shares in the capital of the Company which in aggregate

would confer more than 60 per cent of the voting rights normally exercisable at general meetings of the Company provided that there shall be no Sale as a result of any transfer pursuant to article 8 (Permitted Transfers and Nominee Arrangement) (other than article 8 2) or to an Original Investor or to any person to whom an Original Investor could make a permitted transfer pursuant to article 8 (Permitted Transfers and Nominee Arrangement) and/or (b) any form of capital reorganisation or scheme of arrangement or the like under the Act or the Insolvency Act 1986 (as amended from time to time) or otherwise where any person (or persons connected with each other, or persons acting in concert with each other) would acquire directly or indirectly beneficial ownership of or over that number of shares in the Company which in aggregate would confer more than 60 per cent of the voting rights normally exercisable at general meetings of the Company,

**"Selling Shareholder"** has the meaning set out in article 7.2 (Pre-emption Rights),

**"share"** means a share (of any class) in the capital of the Company,

**"Share Acquisition Agreement"** means a share acquisition agreement (but excluding (i) any share option agreement or (ii) any award of SIP Shares made pursuant to the SIP) between the Company and the relevant employee pursuant to which the employee acquires shares (or interest in shares) pursuant to an Employees' Share Scheme,

**"SIP"** means the RateSetter Share Incentive Plan, an Employees' Share Scheme;

**"SIP Bad Leaver"** a participant to whom SIP Shares were awarded and who becomes a Departing Employee by reason of the termination of his/her employment contract by the Company for fraud, serious misconduct or a criminal offence punishable by a prison sentence and whose SIP Shares are not otherwise subject to forfeiture under the SIP rules at the time of him/her becoming a Departing Employee;

**"SIP Shares"** means the beneficial interest in the A Ordinary Shares acquired by a participant under the SIP;

**"SIP Trustee"** means the trustees of the SIP, from time to time;

**"Subscription and Shareholders' Agreement"** means the Subscription and Shareholders' Agreement dated 27 March 2015, as amended from time to time and made between the Company, the Managers (as defined therein), and the Investors (as defined therein),

**"Threshold Amount"** means the amount determined by reference to the value of the Company expressed either in £ (or a formula capable of being determined in £) which the Board is required, pursuant to article 2.3, to specify and record in the relevant Board Minutes, in respect of the B Ordinary Shares or each B Sub-Class that would be required to be 'reached' by reference to the value of the Company to enable the B Ordinary Shares or the shares comprised in that B Sub-Class to participate in the income and capital of the Company,

**"Third Party Purchaser"** has the meaning set out in article 7.2 (Pre-emption Rights),

**"Transfer"** has the meaning set out in article 6.1 (Tag Along and Come Along),

**"Transferee"** has the meaning set out in article 6.2 (Tag Along and Come Along),

**"Transfer Price"** has the meaning set out in article 7.2 (Pre-emption Rights),

**"Transfer Shares"** has the meaning set out in article 7.2 (Pre-emption Rights),

**"Transferred Shares"** has the meaning set out in article 9 5 (Compulsory Transfers),

**"Triggering Transfer"** has the meaning set out in article 6 2 (Tag Along and Come Along),

**"UK Listing Authority"** means the Financial Services Authority in its capacity as the competent authority for the purposes of Part VI of FSMA, and

1.2 Unless the context otherwise requires, words or expressions contained in these Articles bear the same meanings as in the Act as in force on the date of adoption of these Articles

1 3 In these Articles.

(a) headings are included for convenience only and shall not affect the construction of these Articles;

(b) words denoting the singular include the plural and vice versa,

(c) words denoting one gender include each gender and all genders,

(d) references to persons are deemed to include references to natural persons, to firms, to partnerships, to companies, to corporations, to associations, to organisations and to trusts (in each case whether having separate legal personality).

1.4 The Model Articles shall apply to the Company save in so far as they are excluded or varied by these Articles and such Model Articles (save as so excluded or varied) and these Articles shall be the Articles of Association of the Company.

## 2 **SHARE CAPITAL AND SHARE RIGHTS**

### *Share Capital*

2.1 The A Ordinary Shares and the B Ordinary Shares shall constitute different classes of shares for the purposes of the Act but, save as otherwise provided in these Articles, the A Ordinary Shares and the B Ordinary Shares shall rank *pari passu* in all respects

2.2 The Board may from time to time create one or more new B Sub-Classes and, except as otherwise set out in these Articles, the shares of each B Sub-Class shall rank *pari passu* with each other in all respects

2 3 In respect of the B Ordinary Shares or, if the B Ordinary Shares have been divided into one or more B Sub-Classes, for each B Sub-Class, the Board shall specify the Threshold Amount and record the same in the relevant Board Minutes. The B Shareholders shall have no right to income or capital of the Company unless and until the Board has determined that the relevant and applicable Threshold Amount is reached, following which the relevant B Ordinary Shares shall participate in the income and capital as set out in these Articles

2 4 If the share capital of the Company is varied by way of capitalisation or rights issue, issue, subdivision, consolidation, stock split, or reduction or there is declared a special dividend or there occurs a demerger or any other event or variation that might affect the value of the B Ordinary Shares alone the:

(a) A Shareholders may by ordinary resolution adjust the nominal amount of B Ordinary Shares, and/or

(b) Board, in its discretion, may adjust the Threshold Amount for the relevant B Ordinary Shares, B Sub-Class or B Sub-Classes thereof,

so as to ensure that the value of the B Ordinary Shares is not increased or decreased solely as a result of that variation or other event

#### *Voting*

- 2.5 Subject to article 2.7, on a resolution at a general meeting on a poll, every holder of A Ordinary Shares (whether present in person, by proxy or by corporate representative) shall have one vote for every share of which he is the holder. On a vote on a resolution at a general meeting on a show of hands each A Shareholder (present in person, by proxy or by corporate representative) who would be entitled to vote on a poll at that meeting has one vote.
- 2.6 The B Ordinary Shares shall not confer upon the B Shareholders the right to receive notice of, attend, vote or speak at any general meeting of the Company and shall not give the entitlement to vote on any written resolution of the Company
- 2.7 Any shares held by a member of a Departing Employee's Group shall, irrespective of whether the Board has served a notice requiring such member to transfer their shares in accordance with article 9.1 (Compulsory Transfers), cease to confer upon that member the right to be entitled to attend or vote at any general meeting provided that this restriction shall cease in the event that the shares are no longer held by such member (or any other member of the Departing Employee's Group or, if earlier, upon a Sale or an IPO)

#### *Dividends*

- 2.8 Subject to article 2.9, the holders of the Ordinary Shares shall be entitled to receive, pro rata according to the number of Ordinary Shares held by them, any profits of the Company which the Board lawfully determine to distribute
- 2.9 No B Shareholder shall have a right to receive any dividend (whether in cash or in specie or any other form of distribution) until such time that the relevant Threshold Amount is reached in respect of the relevant B Ordinary Shares or the relevant B Sub-Class. Once the Threshold Amount in respect of the relevant B Ordinary Shares or the relevant B Sub-Class is reached, the holders of such B Ordinary Shares or B Sub-Class shall be entitled together with the A Shareholders to receive, pro rata to their respective shareholding, any profits of the Company which the Directors lawfully determine to distribute.

#### *Capital*

- 2.10 Any Returnable Capital Proceeds shall be applied in distributing
- (a) to the A Shareholders (pro-rata to the number of A Ordinary Shares held) the Capital Distributable Amount, and
  - (b) to the B Shareholders (or if the B Ordinary Shares are divided into B Sub-Classes, the holders of each B Sub-Class) their pro-rata share of any Growth Proceeds

### **3. SALE OF THE SHARE CAPITAL OF THE COMPANY**

In the event of a Sale, then, notwithstanding anything to the contrary in the terms and conditions governing such Sale (unless all the selling holders of shares in the Company immediately prior to such Sale have agreed to the contrary for the purposes of this article 3) the selling holders of shares in the Company (immediately prior to such Sale) shall procure that the consideration (whenever received and in whatever form) shall be held by a trustee nominated by the Board and shall be distributed in the same manner as set out and on the same terms as in article 2.10 with regard to the distribution of Returnable Capital Proceeds.

#### 4 **ISSUE AND ALLOTMENT OF SHARES**

- 4 1 The Directors may from time to time offer or allot A Ordinary Shares or B Ordinary Shares, grant rights to subscribe for or otherwise deal in, or dispose of the A Ordinary Shares or B Ordinary Shares to bona fide past or present employees, Directors, former Directors and/or past or present consultants of the Group on such terms and at such time as they may decide
- 4 2 Shares may be issued as nil, partly or fully paid Model Article 21 (all shares to be fully paid up) shall not apply to the Company
- 4 3 In accordance with section 567 of the Act, the requirements of sections 561 and 562 of the Act are excluded in relation to allotments of equity securities by the Company.

#### 5. **TRANSFER OF SHARES**

- 5 1 The Board shall decline to register any transfer that is not made in accordance with the provisions of these Articles and shall register any transfer which is made in accordance with the provisions of these Articles. Model Article 26(5) shall be construed accordingly Any transfer in breach of these Articles shall be void
- 5 2 For the purposes of these Articles
- (a) a change in the constituent membership (including without limitation any change (howsoever implemented) in the legal or beneficial interest of any member) of a partnership which holds shares shall not constitute a transfer of those shares, and
  - (b) the following shall be deemed (but without limitation) to be a transfer by a holder of shares
    - (i) any direction (by way of renunciation or otherwise) by a holder entitled to an allotment or transfer of shares that a share be allotted or issued or transferred to some person other than himself, and
    - (ii) subject to article 5 2(a), any sale or any other disposition (including by way of mortgage, charge or other security interest) of any legal or equitable interest in a share (including any voting right attached to it), (A) whether or not by the relevant holder, (B) whether or not for consideration, and (C) whether or not effected by an instrument in writing
- 5 3 To enable the Board to determine whether or not there has been any transfer of shares in breach of these Articles the Board may, and shall if so requested in writing by the holder(s) of a majority of the shares from time to time, require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or such other person as the Board may reasonably believe to have information relevant to such purpose, to furnish to the Company such information and evidence as the Board may think fit regarding any matter which they deem relevant to such purpose; including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares from time to time registered in the holder's name Failing such information or evidence being furnished to enable the Board to determine to its reasonable satisfaction that no such breach has occurred, or that as a result of such information and evidence the Board is reasonably satisfied that such breach has occurred, the Board shall forthwith notify the holder of such shares in writing of that fact and, if the holder fails to remedy such breach within 20 days of receipt of such written notice, then
- (a) the relevant shares shall cease to confer upon the holder thereof (or any proxy thereof) any rights

- (i) to vote (whether on a show of hands or on a poll); or
- (ii) to receive dividends or other distributions (other than the amount paid up (or credited as paid up) in respect of the nominal value (and any share premium) of the relevant shares upon a return of capital),

otherwise attaching to such shares or to any further shares issued in right of such shares or in pursuance of an offer made to the relevant holder, and

- (b) the holder may be required (by notice in writing to such holder from the Board) at any time following such notice to transfer some or all of his shares to such person(s) at a price determined by the Board.

The rights referred to in article 5.3(a) may be reinstated by the Board with the written consent of the holders of a majority of the shares or, if earlier, upon the completion of any transfer referred to in article 5 3(b)

5 4 If a holder defaults in transferring shares to be transferred pursuant to article 5 3 or any shares to be transferred pursuant to any other provisions of the Articles (the "**Relevant Securities**"):

- (a) the chairman for the time being of the Company, or failing him one of the Directors of the Company or some other person duly nominated by a resolution of the Board for that purpose, shall be deemed to be the duly appointed agent of the holder with full power to execute, complete and deliver in the name and on behalf of the holder all documents necessary to give effect to the transfer of the Relevant Securities to the relevant transferee(s),
- (b) the Board may receive and give a good discharge for the purchase money on behalf of the holder and (subject to the transfer being duly stamped) enter the name of the transferee(s) in the register of members or other appropriate register as the holder by transfer of the Relevant Securities,
- (c) the Board shall forthwith pay the purchase money into a separate bank account in the Company's name and if and when the holder shall deliver up his certificate or certificates for the Relevant Securities to the Company (or an indemnity in a form reasonably satisfactory to the Board in respect of any lost certificate) he shall thereupon be paid the purchase money, without interest and less any sums owed to the Company by the holder pursuant to these Articles or otherwise; and
- (d) if such certificate shall comprise any shares which the holder has not become bound to transfer as aforesaid the Company shall issue to him a balance certificate for such shares.

The appointment referred to in article 5 4(a) shall be irrevocable and is given by way of security for the performance of the obligations of the holder under these Articles.

## 6 TAG ALONG AND COME ALONG

6 1 Subject to article 6 2, if the effect of any transfer of any shares (the "**Transfer**") would if made result in there being a Sale, the transfer shall not be made unless the proposed transferee has unconditionally offered to purchase all of the other issued Ordinary Share capital (and any shares to be issued pursuant to the exercise of any options or other rights to subscribe) on the same terms and conditions as those of the Transfer. The offer shall remain open for acceptance for not less than 21 days. No offer shall be required pursuant to this article 6.1 if a Come Along Notice has been served under article 6.2

6 2 If the effect of any bona fide transfer of any shares (the "**Triggering Transfer**") would result in there being a Sale, the holder thereof (or, if there is more than one holder

thereof, any of them) (the "**Calling Shareholders**") shall have the right to require all the other holders of shares (other than shares held by any holder who is connected with or acting in concert with the proposed transferee of the shares proposed to be the subject of the Transfer) or any options or other rights to subscribe (the "**Called Shareholders**") to transfer to the proposed transferee (the "**Transferee**") all (but not some only) of their shares (including any acquired by them after service of the Come Along Notice, including but not limited to shares issued on exercise of any options or other rights to subscribe) other than any shares which are to be redeemed on the date of the Sale. The transfer shall be on the same terms and conditions (which may include any number of conditions precedent) and the same consideration per share (or per share of each class, where relevant) (which need not be cash consideration) as shall have been agreed between the Calling Shareholders and the Transferee in respect of the shares proposed to be transferred to the Transferee by the Calling Shareholders. The right of the Calling Shareholders shall be exercised by the Calling Shareholders giving written notice to the Called Shareholders to that effect (the "**Come Along Notice**") accompanied by copies of all documents required to be executed by the Called Shareholders to give effect to the required transfer. The Come Along Notice shall set out a date by which the Called Shareholders must transfer their shares to the Transferee, which date shall not be before one day following the later of (i) the date of service of the Come Along Notice, (ii) the date on which all the conditions precedent set out or referred to in the Come Along Notice and (iii) the date on which the shares to be transferred are allotted by the Company. Called Shareholders shall not be obliged to transfer any shares to the transferee unless prior to or simultaneously with such transfer the Calling Shareholders have transferred or transfer shares to the Transferee so as to give rise to a Sale.

- 6.3 If a Called Shareholder makes default in transferring its shares pursuant to article 6.2 the provisions of article 5.4 (Transfer of Shares) (reference therein to the holder, Relevant Securities, transferee and documents being construed in accordance with the provisions of this article 6 and as if references to the "purchase money" were to the consideration (whether cash or otherwise) payable by the Transferee and the reference to a "separate bank account" included reference to a separate nominee security account) shall apply to the transfer of such shares mutatis mutandis

## 7 **PRE-EMPTION RIGHTS**

- 7.1 Shares may be transferred pursuant to the provisions of this article 7 except.

- (a) during the Restricted Period where the shares (excluding SIP Shares) are acquired pursuant to an Employees' Share Scheme on or after the date of adoption of the Articles,
- (b) SIP Shares for so long as they are subject to the SIP (i.e. held by the SIP Trustee and not withdrawn from the SIP),
- (c) by a Departing Employee (or the relevant Departing Employee's Group) where the Board has invoked or has expressed its intention that it shall invoke the Compulsory Transfer provisions in article 9 (Compulsory Transfers); or
- (d) by a SIP Bad Leaver or a Departing Employee (or the relevant Departing Employee's Group) if the Departure Reason is a Bad Reason

- 7.2 A holder of shares (the "**Selling Shareholder**") wishing to transfer any shares (other than in accordance with article 8 (Permitted Transfers and Nominee Arrangement) shall give notice in writing (the "**Pre-emption Notice**") to the Company of his wish specifying

- (a) the number of shares which he wishes to transfer (the "**Transfer Shares**"),



- (b) the name of the bona fide investor to whom he proposes to sell the Transfer Shares (the "**Third Party Purchaser**"),
  - (c) the price at which he wishes to transfer the Transfer Shares (the "**Transfer Price**"), and
  - (d) whether or not the Pre-emption Notice is conditional upon all, and not part only, of the Transfer Shares being sold pursuant to the offer hereinafter mentioned
- 7.3 Subject to articles 7.4 and 7.9, no Pre-emption Notice once given in accordance with these Articles shall be withdrawn
- 7.4 The Selling Shareholder shall provide the Company with such evidence as the Company requires to satisfy itself that the Third Party Purchaser is a bona fide investor. If the Company is not so satisfied the Pre-emption Notice shall be of no effect and shall be deemed withdrawn
- 7.5 The Pre-emption Notice shall constitute the Company as the agent of the Selling Shareholder for the sale of the Transfer Shares at the Transfer Price.
- 7.6 (a) The Company shall as soon as practicable following receipt of a Pre-emption Notice (and it being satisfied as to the matters referred to in article 7.4) give notice in writing to each of the holders of shares (other than the Selling Shareholder) informing them that the Transfer Shares are available to purchase pro rata to their current shareholding and of the Transfer Price. Such notice shall invite each such shareholder to state in writing (a "**Response Notice**") within 21 days from the date of such notice (which date shall be specified therein (the "**Response Date**")) whether he is willing to purchase shares pro rata to his current shareholding, at the Transfer Price.
- (b) Subject to article 7.9, no Response Notice once given shall be withdrawn.
- 7.7 In this article 7
- (a) shareholders who state in a Response Notice that they wish to purchase shares are referred to as "**Purchasing Shareholders**",
  - (b) the shares which Purchasing Shareholders have stated in Response Notices that they wish to purchase are referred to as "**Requested Shares**".
- 7.8 (a) If the number of Transfer Shares is the same as the number of Requested Shares, then the Transfer Shares shall be sold by the Selling Shareholder and the Purchasing Shareholders shall be obliged to purchase the Transfer Shares (in the pro rata proportions set out in the Response Notices).
- (b) If the number of Transfer Shares is greater than the number of Requested Shares then (subject to article 7.9)
- (i) the number of Transfer Shares equal to the number of Requested Shares shall be sold by the Selling Shareholder and shall be purchased by the Purchasing Shareholders (in the pro rata proportions set out in their Response Notices),
  - (ii) all or some of the Transfer Shares remaining after the purchases made pursuant to article 7.8(b)(i) may then be offered at the Transfer Price to the Company, to an Employee Trust, or to such employees of the Group as may be specified by the Company, in each case as shall be directed by the Company in the Allocation Notice (as defined below), and

- (iii) the Selling Shareholder shall be entitled to sell any Transfer Shares remaining after purchases made pursuant to article 7 8(b)(i) and article 7 8(b)(ii), not later than the date which is two months following the Response Date, to the Third Party Purchaser at a price not less than the Transfer Price

7 9 Within 14 days following the Response Date (or, if earlier, following the date upon which all holders of shares (other than the Selling Shareholder) have responded to the invitation referred to in article 7 6(a)) the Company shall give notice to the Selling Shareholder setting out details of the persons to which Transfer Shares are to be transferred in accordance with article 7 7 or article 7 8 (an "**Allocation Notice**") and shall specify in the Allocation Notice the place and time (being not later than 14 days after the date of the Allocation Notice) at which the transfer of the Transfer Shares shall be completed. All such transfers shall take place at the Transfer Price

## 8 **PERMITTED TRANSFERS AND NOMINEE ARRANGEMENT**

8 1 A holder may transfer shares to a nominee or trustee for that holder and any nominee or trustee may transfer shares to any other nominee or trustee or to the beneficiary provided that no beneficial interest in the shares passes by reason of any such transfer

8 2 Any holder may transfer shares the transfer of which would have the effect described in article 6 1 and/or article 6 2 (Tag Along and Come Along) provided either an offer has been made and completed in accordance with article 6 1 or a Come Along Notice has been served in accordance with article 6.2. Any holder of shares may transfer shares pursuant to the acceptance of such an offer or pursuant to a Come Along Notice.

8 3 (a) An Employee Trust may transfer shares to any person in accordance with the rules of that Employee Trust.

(b) A transfer of shares by an Employee Trust to the SIP Trustee for the facilitation of the grant of awards under the SIP shall be regarded as a permitted transfer

(c) The transfer of the beneficial interest in SIP Shares between a SIP participant and a SIP Trustee and vice versa in accordance with the rules of the SIP shall be regarded as permitted transfers.

8.4 Any holder who is an individual may at any time transfer shares to a person or persons shown to the reasonable satisfaction of the Board to be

(a) a Family Member of his, or

(b) trustees to be held under a Family Trust of his

8 5 If any person has acquired shares as a Family Member of a holder (by way of one or more permitted transfers and that person ceases to be a Family Member of the holder first holding those shares following their allotment or following a transfer made in accordance with article 8.4 that person shall, within 21 days of so ceasing, transfer the shares held by it to such first holder or a Family Member of such first holder

8 6 Where shares are held by trustees under a Family Trust.

(a) those shares may, on any change of trustees, be transferred by those trustees to any new trustee of that Family Trust whose identity has been approved in writing by the Board,

(b) those shares may at any time be transferred by those trustees to the settlor of that trust or another Family Trust to whom that settlor could have transferred them under article 8 4 if he had remained the holder of them, and

(c) if and whenever any of those shares cease to be held under a Family Trust (other than by virtue of a transfer made under article 8 4(b)), the trustees shall, within 21 days of so ceasing, transfer all of the shares then held by them back to the relevant holder.

8 7 Where shares are held by a corporate shareholder (or nominee of such person), those shares may at any time be transferred to a person or persons shown to the reasonable satisfaction of the Board to be a Permitted Investor Transferee of such shareholder

8 8 If any person has acquired shares as a Permitted Investor Transferee of a holder (by way of one or more permitted transfers and that person ceases to be a Permitted Investor Transferee of the holder first holding those shares following their allotment or following a transfer made in accordance with article 8 7 that person shall, within 21 days of so ceasing, transfer the shares held by it to such first holder or a Permitted Investor Transferee of such first holder.

#### *Nominee Arrangement*

8 9 Upon becoming a Departing Employee, to the extent the shares held by a Departing Employee or a Departing Employee's Group at the Cessation Date are not subject to article 9 (Compulsory Transfers) or are not being compulsorily transferred pursuant to article 9, the Departing Employee or a Departing Employee's Group shall, immediately following the Cessation Date transfer the legal title to the shares to a person nominated by the Company ("**Nominee**").

8.10 The Nominee shall hold the legal title to the shares as a bare trustee of the Departing Employee (or the Departing Employee's Group) with the beneficial interest in the shares remaining at all times with such Departing Employee (or the Departing Employee's Group).

8.11 Unless the legal title to the shares is already held by a Nominee (excluding a nominee for the purposes of article 8 1 or the SIP Trustee for the purposes of the SIP Shares) at the Cessation Date (or when the SIP Shares cease to be subject to the SIP in accordance with the rules of the SIP, where applicable), the Departing Employee or the Departing Employee's Group, together with the Nominee shall execute all necessary documentation, in such form as approved by the Board, to give effect to such nominee arrangement

## **9. COMPULSORY TRANSFERS**

9 1 The Board shall be entitled, at any time following a Cessation Date.

(a) subject to article 9.1(b), which falls within three years following the Commencement Date of the relevant person, in respect of shares issued prior to the adoption of these Articles, and

(b) in respect of shares issued pursuant to any Employees' Share Scheme;

to serve a written notice (the "**Compulsory Transfer Notice**") on all or any members of the Departing Employee's Group who hold shares. The Compulsory Transfer Notice may require the relevant member(s), within ten days of the Compulsory Transfer Notice, to transfer such number and class of shares held by them to such person(s) and at such prices (subject to the price being not less than that provided for in article 9.2) in each case as are specified in the Compulsory Transfer Notice. If the relevant member(s) of the Departing Employee's Group default(s) in transferring the shares required to be transferred, the provisions of article 5 4 (Transfer of Shares) shall apply (references therein to the holder, Relevant Securities, transferee and documents being construed in accordance with the provisions of this article 9).

9.2 The price at which such shares may be required to be transferred pursuant to article 9.1 shall be determined by the Board and shall be no lower than:

- (a) if the Departure Reason is a Good Reason Market Value,
- (b) if the Departure Reason is a Bad Reason the lower of (i) Cost and (ii) Market Value,

9.3 In article 9.2:

(a) **"Good Reason"** shall mean

- (A) for the purposes of article 9.1 (a), any of the following reasons
  - (i) the death of the Departing Employee,
  - (ii) the ill health or permanent disability of the Departing Employee rendering him incapable of continued full-time employment in his current position (or a comparable position at the location he is employed or otherwise provides his services at the Cessation Date) with the Group,
  - (iii) because the Departing Employee is employed by a subsidiary of the Company, or business of the Company or subsidiary of the Company, which is sold or otherwise disposed of,
  - (iv) the Departing Employee being made redundant by a Group Company,
  - (v) the contract of employment of the Departing Employee (or other arrangement pursuant to which his services are provided to a Group Company) being terminated by that Group Company other than in circumstances in which the Group Company is entitled summarily to terminate such contract without payment of damages or payment in lieu of notice, or
  - (vi) in respect of any Departing Employee who holds less than 5 per cent of the total Shares in issue at the Cessation Date, any other reason so determined by the Board; and
- (B) for the purposes of article 9.1(b), any other reason which is not a Bad Reason as defined in article 9.3(b)(ii)

(b) **"Bad Reason"** shall mean

- (i) for the purposes of article 9.1 (a),
  - (A) voluntary resignation by the Departing Employee for a reason other than a Good Reason; or
  - (B) any other reason which is not a Good Reason as defined in article 9.3(a)(A), and
- (ii) for the purposes of article 9.1 (b),
  - (A) becoming a Departing Employee for any reason within the Restricted Period, or
  - (B) becoming a Departing Employee by reason of termination of the employment contract by the Company for any of fraud, serious misconduct or a criminal offence punishable by a prison sentence, or

(C) being a SIP Bad Leaver.

(c) **"Cost"** shall mean

- (i) the amount paid (by way of purchase or subscription price) for the shares in question by the first member (in point of time) of the Departing Employee's Group who held such shares, and
- (ii) in the case of SIP Shares, the IUMV of the shares under the relevant SIP award

9.4 In determining the Market Value of the shares the subject of the Compulsory Transfer Notice the Company may propose to the Departing Employee a price which if accepted by the Departing Employee shall be deemed to be the Market Value. In the absence of agreement Market Value shall be determined in accordance with article 9.5 or, at the election of the Company, Market Value shall be based upon the price per share implied in the Market Value last determined pursuant to article 9.5 where such determination took place within the 12 months prior to the Cessation Date and the Auditors shall not add any premium to the price of the shares for the sale of control of the Company

9.5 Subject to article 9.4, Market Value of the Ordinary Shares which are the subject of the Compulsory Transfer Notice (the **"Transferred Shares"**) shall be the market value of the Transferred Shares as between a willing buyer and a willing seller as certified by the Auditors acting as experts and not arbitrators and whose determination shall be final and binding on the parties concerned. In arriving at the Market Value of the Transferred Shares, the Auditors shall be instructed to

- (a) determine the **"Enterprise Value"** which shall mean the price obtainable on a sale of all of the issued shares of the Company of whatever class between a willing buyer and a willing seller (on the assumption that the entire issued share capital of the Company is being sold for cash) as at the Cessation Date save that the auditors shall exclude any premium that might arise as a result of the sale of control of the Company;
- (b) deduct from the Enterprise Value an amount equal to that which would be required as at the Cessation Date to refinance all amounts (including all arrears and accruals of interest, fees and other costs, and expenses payable) outstanding under.
  - (i) any financing documents to the extent the terms of such financing documents would permit refinancing on the Cessation Date, and to the extent they do not, deducting the amount of the indebtedness outstanding under the financing documents as at that date on a refinancing together with such further amount which in the opinion of the Auditors would be required to obtain a waiver of such prohibition, and
  - (ii) any shareholder debt instruments, and
- (c) use the resultant figure as the valuation of all of the issued ordinary share capital from which they determine the market value of the Transferred Shares as between a willing buyer and a willing seller.

9.6 The costs and expenses of the Auditors shall be borne by the Company who shall be reimbursed by the Departing Employee unless the value determined by the Auditors is 15 per cent. or more higher than that proposed by the Company, in which case such costs and expenses shall be borne by the Company

**10. DECISION-MAKING BY DIRECTORS**

- 10.1 In Model Article 8(2) (copies of unanimous decisions in writing) the words "copies of which have been signed by each eligible Director" shall be replaced by the words "where each eligible Director has signed one or more copies of it"
- 10.2 In Model Article 8(3) (unanimous decisions) the words "and whose vote would have been counted" shall be added after the words "who would have been entitled to vote on the matter"
- 10.3 Model Article 9(2) (content of notices of Directors' meeting) shall not apply to the Company
- 10.4 In Model Article 9(4) (waiver of notice entitlement) the words "not more than 7 days" shall be replaced by the words "either before, on or"
- 10.5 The chairman shall not have a casting vote and Model Article 13 shall not apply to the Company
- 10.6 A Director may vote, at any meeting of the Directors or of any committee of the Directors, on any resolution, and may otherwise take, or take part in, any decision, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest or duty whatsoever (whether or not it may conflict with the interests of the Company), and if he shall vote on any such resolution (or take, or take part in, any such decision) his vote shall be counted, and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting This is subject to section 175 of the Act and to the other provisions of these Articles
- 10.7 Model Article 14 (conflicts of interests) shall not apply to the Company.

**11. DIRECTORS' INTERESTS**

- 11.1 Provided that he has disclosed to the Directors the nature and extent of any interest of his in accordance with and to the extent required by the Act or the interest is deemed disclosed by article 11.2, a Director notwithstanding his office:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested,
  - (b) may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is interested or any Group Company or any body corporate in which any Group Company is interested,
  - (c) may act, by himself or through a firm in which he is interested, in a professional capacity for the Company or any Group Company or any body corporate in which any Group Company is interested (otherwise than as auditor),
  - (d) may hold any other place of profit with the Company (otherwise than as auditor) in conjunction with his office as the Directors may determine,
- and
- (i) he shall not, by reason of his office or the fiduciary relationship thereby established, be accountable to the Company for any remuneration or other benefit which he or any other person derives from any such office or employment or from any such transaction or arrangement or from acting in a professional capacity or from any interest in any such undertaking or body corporate;

- (ii) no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or remuneration or other benefit, and
  - (iii) receipt of any such remuneration or other benefit shall not constitute a breach of his duty under section 176 of the Act.
- 11.2 For the purposes of this article 11 a Director shall be deemed to have disclosed the nature and extent of an interest which consists of him being a Director, officer or employee of any Group Company
- 11.3 For the purposes of this article 11 a conflict of interest includes a conflict of interest and duty and a conflict of duties.
- 12 **DIRECTORS' CONFLICTS**
- 12.1 For the purposes of section 175 of the Act, the Directors may authorise any matter proposed to them which would, if not so authorised, constitute or give rise to an infringement of duty by a Director under that section
- 12.2 Any authorisation of a matter pursuant to article 12.1 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised
- 12.3 Any authorisation of a matter under article 12.1 shall be subject to such conditions or limitations as the Directors may specify, whether at the time such authorisation is given or subsequently, and may be terminated or varied by the Directors at any time. A Director shall comply with any obligations imposed on him by the Directors pursuant to any such authorisation.
- 12.4 A Director shall not, by reason of his office or the fiduciary relationship thereby established, be accountable to the Company for any remuneration or other benefit which derives from any matter authorised by the Directors under article 12.1 and any transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such remuneration or other benefit or on the ground of the Director having any interest as referred to in the said section 175.
- 12.5 A Director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a Director or officer or employee of the Company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his connection with that other person conflicts, or possibly may conflict, with the interests of the Company, this article 12.5 applies only if the existence of that connection has been authorised by the Directors under article 12.1 above. In particular, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Act because he fails.
  - (a) to disclose any such information to the Directors or to any Director or other officer or employee of the Company, and/or
  - (b) to use any such information in performing his duties as a Director or officer or employee of the Company.
- 12.6 Where the existence of a Director's connection with another person has been authorised by the Directors under article 12.1 and his connection with that person conflicts, or possibly may conflict, with the interests of the Company, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Act because he
  - (a) absents himself from meetings of the Director or any committee thereof at which any matter relating to the conflict of interest or possible conflict of interest will or

may be discussed or from the discussion of any such matter at a meeting or otherwise; and/or

- (b) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser,

for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists

12.7 The provisions of articles 12.5 and 12.6 are without prejudice to any equitable principle or rule of law which may excuse the Director from.

- (a) disclosing information, in circumstances where disclosure would otherwise be required under these Articles or otherwise,
- (b) attending meetings or discussions or receiving documents and information as referred to in article 12.6 in circumstances where such attendance or receiving such documents and information would otherwise be required under these Articles

### 13 ALTERNATE DIRECTORS

13.1 Any Director (the "**appointor**") may appoint as an alternate any other Director, or any other person (who, except in the case of an Appointed Director, must be approved by resolution or other decision of the Directors) to

- (a) exercise that Director's powers, and
- (b) carry out that Director's responsibilities,

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

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

13.3 The notice must.

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

13.4 An alternate Director has the same rights, in relation to any Directors' meeting, and all meetings of committees of Directors of which the appointor is a member, or Directors' written resolution, or other decision of the Directors reached in accordance with Model article 8, as the alternate's appointor. For the purposes of Model Article 8(1) and 8(2) (Unanimous decisions) if an alternate Director indicates that he shares the common view, his appointor need not also indicate that he shares the common view and if a resolution is signed by an alternate Director (or to which an alternate Director has indicated his agreement in writing), it need not also be signed or so agreed to by his appointor

13.5 Except as the Articles specify otherwise, alternate Directors

- (a) are deemed for all purposes to be Directors,
- (b) are liable for their own acts and omissions,



- (c) are subject to the same restrictions as their appointors, and
  - (d) are not deemed to be agents of or for their appointors
- 13.6 A person who is an alternate Director but not a Director.
- (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating), and
  - (b) may sign (or otherwise indicate his agreement in writing to) a written resolution (but only if that person's appointor has not signed or otherwise indicated his agreement in writing to such written resolution)
- No alternate may be counted as more than one Director for such purposes
- 13.7 A Director who is an alternate Director has an additional vote on behalf of each appointor who is.
- (a) not participating in a Directors' meeting, and
  - (b) would have been entitled to vote if they were participating in it
- 13.8 An alternate Director is not entitled to receive any remuneration from the Company for serving as an alternate Director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company
- 13.9 Model Article 20 (Directors' expenses) is modified by the addition of the words "(including alternate Directors)" before the words "properly incur".
- 13.10 An alternate Director's appointment as an alternate terminates.
- (a) when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,
  - (b) on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director,
  - (c) on the death of the alternate's appointor, or
  - (d) when the alternate's appointor's appointment as a Director terminates
- 14 **SECRETARY**
- It shall not be necessary for the Company to have a secretary
- 15 **INDEMNITY AND BENEFITS**
- 15.1 Subject to the provisions of the Companies Acts (but so that this article does not extend to any matter insofar as it would cause this article or any part of it to be void under the Companies Acts) but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every person who is or was at any time a Director of the Company or any Group Company may be indemnified out of the assets of the Company against all costs, charges, expenses, losses or liabilities (together "**Liabilities**") which he may sustain or incur in or about the actual or purported execution and/or discharge of his duties (including those duties, powers and discretions in relation to any Group Company or any company that is a trustee of an occupational pension scheme (as defined in section 235(6) of the Act)) and/or the actual or purported exercise of his powers or discretions and/or otherwise in relation thereto or in connection therewith, including

- (without prejudice to the generality of the foregoing) any Liability suffered or incurred by him in disputing, defending, investigating or providing evidence in connection with any actual or threatened or alleged claims, demands, investigations, or proceedings, whether civil, criminal, or regulatory or in connection with any application under section 661(3), section 661(4) or section 1157 of the Act
- 15.2 The Company may also provide funds to any Director of the Company or of any Group Company to meet, or do anything to enable a Director of the Company or any Group Company to avoid incurring, expenditure to the extent permitted by the Companies Acts.
- 15.3 Without prejudice to any other provisions of these Articles, the Directors may exercise all the powers of the Company to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors of the Company, or of any other Group Company or any other body which is or was otherwise associated with the Company or any Group Company or any other body in which the Company or any such Group Company has or had any interest, whether direct or indirect, or of any predecessor in business of any of the foregoing, (together with Group Companies, "**Associated Companies**") or who are or were at any time trustees of (or Directors of trustees of) any pension, superannuation or similar fund, trust or scheme or any employees' share scheme or other scheme or arrangement in which any employees of the Company or of any such other body are interested, including (without prejudice to the generality of the foregoing) insurance against any costs, charges, expenses, losses or liabilities suffered or incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or the actual or purported exercise of their powers and discretions and/or otherwise in relation to or in connection with their duties, powers or offices in relation to the Company or any such other body, fund, trust, scheme or arrangement
- 15.4 The Directors may exercise all the powers of the Company to give or award pensions, annuities, gratuities or other retirement, superannuation, death or disability allowances or benefits (whether or not similar to the foregoing) to (or to any person in respect of) any persons who are or have at any time been Directors of the Company or of any Associated Company, and to the spouses, civil partners, former spouses and former civil partners, children and other relatives and dependants of any such persons and may establish, maintain, support, subscribe to and contribute to all kinds of schemes, trusts and funds (whether contributory or non-contributory) for the benefit of such persons as are hereinbefore referred to or any of them or any class of them, and so that any Director or former Director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit (whether under any such trust, fund or scheme or otherwise)
- 15.5 Without prejudice to any other provisions of these Articles, the Directors may exercise all the powers of the Company to establish, maintain, and contribute to any scheme for encouraging or facilitating the holding of shares in the Company or in any Associated Company by or for the benefit of current or former Directors of the Company or any such body corporate or the spouses, civil partners, former spouses, former partners, families, connections or dependants of any such persons and, in connection with any such scheme, to establish, maintain and contribute to a trust for the purpose of acquiring and holding shares in the Company or any such body corporate and to lend money to the trustees of any such trust or to any individual referred to above
- 15.6 Model Articles 52 (indemnity) and 53 (insurance) shall not apply to the Company.
- 16 **LIEN ON SHARES**
- 16.1 The Company has a first and paramount lien on all shares (whether or not such shares are fully paid) standing registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder thereof or is one of two or more

joint holders, for all moneys payable by him or his state to the Company (whether or not such moneys are presently due and payable).

16.2 The Company's lien over shares

- (a) takes priority over any third party's interest in such shares, and
- (b) extends to any dividend or other money payable by the Company in respect of such shares and (if the Company's lien is enforced and such shares are sold by the Company) the proceeds of sale of such shares

16.3 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.

- (a) Subject to the provisions of this article 16, if
  - (i) a notice of the Company's intention to enforce the lien ("**lien enforcement notice**") has been sent in respect of the shares, and
  - (ii) the person to whom the lien enforcement notice was sent has failed to comply with it

the Company may sell those shares in such manner as the Directors decide.

- (b) A lien enforcement notice
  - (i) may only be sent in respect of shares if a sum is payable to the Company by the sole registered holder or one of two or more joint registered holders of such shares and the due date for payment of such sum has passed,
  - (ii) must specify the shares concerned,
  - (iii) must include a demand for payment of the sum payable within 14 days,
  - (iv) must be addressed either to the holder of such shares or to a person entitled to such shares by reason of the holder's death, bankruptcy or otherwise, and
  - (v) must state the Company's intention to sell the shares if the notice is not complied with
- (c) If shares are sold under this article 16.
  - (i) the Directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and
  - (ii) 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
- (d) 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
  - (i) 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
  - (ii) second, in payment 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 a suitable indemnity 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 in respect of the shares after the date of the lien enforcement notice

- (e) A statutory declaration by a Director or the secretary that the declarant is a Director or the secretary and that a share has been sold to satisfy the Company's lien on a specified date.
  - (i) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
  - (ii) subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the share

## 17 CALLS ON SHARES AND FORFEITURE

- 17.1 (a) Subject to the Articles and the terms on which shares are allotted, the Directors may send a notice (a "**call notice**") to a member requiring the member to pay the Company a specified sum of money (a "**call**") which is payable in respect of shares which that member holds at the date when the Directors decide to send the call notice.
- (b) A call notice.
  - (i) may not require a member to pay a call which exceeds the total sum unpaid on that member's shares (whether as to the share's nominal value or any amount payable to the Company by way of premium),
  - (ii) must state when and how any call to which it relates is to be paid, and
  - (iii) may permit or require the call to be paid by instalments
- (c) A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the call notice was sent
- (d) Before the Company has received any call due under a call notice the Directors may.
  - (i) revoke it wholly or in part, or
  - (ii) specify a later time for payment than is specified in the call notice,by a further notice in writing to the member in respect of whose shares the call was made
- 17.2 (a) Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which the call is required to be paid
- (b) Joint holders of a share are jointly and severally liable to pay all calls in respect of that share
- (c) Subject to the terms on which shares are allotted, the Directors may, when issuing shares, make arrangements for a difference between the holders in the amounts and times of payment of calls on their shares
- 17.3 (a) A call notice need not be issued in respect of sums which are specified, in the terms on which a share is allotted, as being payable to the Company in respect of that share (whether in respect of nominal value or premium)

- (i) on allotment;
  - (ii) on the occurrence of a particular event, or
  - (iii) on a date fixed by or in accordance with the terms of issue.
- (b) 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.
- 17.4 (a) If a person is liable to pay a call and fails to do so by the call payment date
- (i) the Directors may send a notice of forfeiture (a "**forfeiture notice**") to that person, and
  - (ii) until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate
- (b) For the purposes of this article 17.
- (i) the "**call payment date**" is the date on which 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
  - (ii) the "**relevant rate**" is the rate fixed by the terms on which the share in respect of which the call is due was allotted or, if no such rate was fixed when the share was allotted, five percent per annum
- (c) The relevant rate must not exceed by more than five 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
- (d) The Directors may waive any obligation to pay interest on a call wholly or in part
- 17.5 A forfeiture notice
- (a) may be sent in respect of any share in respect of which a call has not been paid as required by a call notice,
  - (b) must be sent to the holder of that share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise,
  - (c) must require payment of a call and any accrued interest by a date which is not less than 14 days after the date of the forfeiture notice,
  - (d) must state how the payment is to be made; and
  - (e) must state that if the forfeiture notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited
- 17.6 If a forfeiture notice is not complied with before the date by which payment of the call is required in the forfeiture notice, 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
- 17.7 (a) Subject to the following provisions of this article 17.7, the forfeiture of a share extinguishes

- (i) all interests in that share, and all claims and demands against the Company in respect of it, and
  - (ii) all other rights and liabilities incidental to the share as between the person in whose name the share is registered and the Company.
- (b) Any share which is forfeited
- (i) is deemed to have been forfeited when the Directors decide that it is forfeited,
  - (ii) is deemed to be the property of the Company; and
  - (iii) may be sold, re-allotted or otherwise disposed of as the Directors think fit
- (c) If a person's shares have been forfeited.
- (i) the Company must send that person notice that forfeiture has occurred and record it in the register of members,
  - (ii) that person ceases to be a member in respect of those shares,
  - (iii) that person must surrender the certificate for the shares forfeited to the Company for cancellation,
  - (iv) that person remains liable to the Company for all sums due and payable by that person at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture), and
  - (v) 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.
- (d) At any time before the Company disposes of a forfeited share, the Directors may decide to cancel the forfeiture on such terms as they think fit.
- 17 8 (a) 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.
- (b) A statutory declaration by a Director or the secretary that the declarant is a Director or the secretary and that a share has been forfeited on a specified date
- (i) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
  - (ii) subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the share
- (c) 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.
- (d) 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
- (i) was, or would have become, payable; and

- (ii) 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.

- 17 9 (a) A member may surrender any share
  - (i) in respect of which the Directors may issue a forfeiture notice;
  - (ii) which the Directors may forfeit, or
  - (iii) which has been forfeited
- (b) The Directors may accept the surrender of any such share.
- (c) The effect of surrender on a share is the same as the effect of forfeiture on that share
- (d) A share which has been surrendered may be dealt with in the same way as a share which has been forfeited.

#### 18. **CONSOLIDATION OF SHARES**

- 18 1 (a) This article 18 applies in circumstances where
  - (i) there has been a consolidation of shares, and
  - (ii) as a result, members are entitled to fractions of shares
- (b) The Directors may.
  - (i) sell the shares representing the fractions to any person including the Company for the best price reasonably obtainable; and
  - (ii) authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser
- (c) Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the Directors, that member's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland
- (d) A person to whom shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.
- (e) The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale

#### 19. **COMMISSIONS**

- 19 1 The Company may pay any person a commission in consideration for that person
  - (a) subscribing, or agreeing to subscribe, for shares, or
  - (b) procuring, or agreeing to procure, subscriptions for shares
- 19 2 Any such commission may be paid

(a) in cash, or in fully paid or partly paid shares or other securities, or partly in one way and partly in the other, and

(b) in respect of a conditional or an absolute subscription

**20 DIVIDENDS**

20 1 Model Article 30(2) (dividend not to exceed the amount recommended by the Directors) shall not apply

20 2 In Model Article 34 (non-cash distributions) the words "on the recommendation" shall be replaced by the words "or by a resolution or other decision of"

**21 DEEMED DELIVERY OF DOCUMENTS AND INFORMATION**

21.1 Any notice, document or other information sent or supplied by the Company

(a) sent by post (whether in hard copy or electronic form) to an address in the United Kingdom (provided that the Company is able to show that it (or the envelope) was properly addressed, prepaid and posted) shall be deemed to have been received by the intended recipient on the day following that on which it (or an envelope containing it) was put in the post if first class post was used or 48 hours after it was posted if first class post was not used,

(b) sent or supplied by electronic means, (provided that the Company is able to show that it was properly addressed) shall be deemed to have been received by the intended recipient on the day on which it was sent or supplied,

(c) sent or supplied by means of a website, shall be deemed to have been received by the intended recipient.

(i) when the material was first made available on the website, or

(ii) if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website;

(d) left at a shareholder's registered address or such other postal address as notified by the shareholder to the Company for the purpose of receiving company communications, shall be deemed to have been received on the day it was left

21 2 The provisions of article 21 1(a), (b) and (d) shall apply to the service of a Come Along Notice (but with references therein to the "Company" being treated as references to the Calling Shareholders)

21 3 For the purposes of this article, no account shall be taken of any part of a day that is not a working day

21 4 A shareholder whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notice may be given to him, or an address to which notices may be sent by electronic means, shall be entitled to have notices, documents or other information sent to him at that address, but otherwise no such shareholder shall be entitled to receive any notice, document or other information from the Company