

Company Number 11161742

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

CHESTNUT PROPERTIES LIMITED

Circulation Date 5 JUNE 2018

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolution is passed as a special resolution ("Resolution").

SPECIAL RESOLUTION

THAT the draft 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.

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolution.

The undersigned, the person entitled to vote on the Resolution on the Circulation Date, hereby irrevocably agrees to the Resolution:

STEVEN ROBERT WEBSTER

S. Webster

Date

5/06/18

CHRISTOS KYRILLOS LOANNOU
PAPALOIZOU

[Signature]

Date

5/06/18.

ANDREW PAPS

[Signature]

Date

5.06.18.



A22 *A786CFT6*
15/06/2018 #2
COMPANIES HOUSE

NOTES

- 1 If you agree to the Resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods:

By Hand delivering the signed copy to Lauren Romo c/o asb Law LLP, Horizon House, Eclipse Park, Sittingbourne Road, Maidstone, Kent ME14 3EN.

By Post returning the signed copy to Lauren Romo c/o asb Law LLP, Horizon House, Eclipse Park, Sittingbourne Road, Maidstone, Kent ME14 3EN.

By Email by attaching a scanned copy of the signed document to an e-mail and sending it to lauren.romo@asb-law.com. Please enter "Written Resolutions –Chestnut Properties" in the subject box.

If you do not agree to the Resolution, you do not need to do anything: you will not be deemed to agree if you fail to reply.
- 2 Once you have indicated your agreement to the Resolution, you may not revoke your agreement.
- 3 Unless, by the expiry of the 28 day period commencing on the Circulation Date, sufficient agreement has been received for the Resolution to pass, they will lapse. If you agree to the Resolution, please ensure that your agreement reaches us before the expiry of this period.
- 4 In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members.
- 5 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.



DATED 5 JUNE 2018

THE COMPANIES ACT 2006
Private Company Limited By Shares
Articles of Association
Of
CHESTNUT PROPERTIES LIMITED
Company Number: 11161742
Adopted by special resolution passed on April 2018

Our Ref: 772877/1

asb law LLP

Origin Two 106 High Street Crawley West Sussex RH10 1BF United Kingdom

Horizon House Eclipse Park Sittingbourne Road Maidstone Kent ME14 3EN United Kingdom

T: +44 (0) 1293 603600 (Crawley) +44 (0) 1622 656500 (Maidstone)

PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

1. DEFINED TERMS

- 1.1. The regulations contained in the Model Articles for Private Companies Limited by Shares set out in Schedule 1 of The Companies (Model Articles) Regulations 2008 (SI 3229/2008) shall not apply to the Company.
- 1.2. In the Articles, unless the context requires otherwise:
- 2006 Act** means the Companies Act 2006;
- Articles** means these articles of association;
- B Share** means the B shares of £1.00 each in the capital of the Company;
- Bankruptcy** includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of Bankruptcy;
- Board** means the board of Directors of the Company as constituted from time to time;
- Chairman** has the meaning given in Article 5;
- chairman of the meeting** has the meaning given in Article 28;
- Civil Partner** means in relation to a shareholder, a civil partner as defined in the Civil Partnership Act 2004
- Companies Acts** means the Companies Acts (as defined in section 2 of the 2006 Act), in so far as they apply to the Company;
- Controlling Interest** means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010;
- Deemed Transfer Notice** means a Transfer Notice that is deemed to have been served under Article 22.1.
- Director** means a director of the Company, and includes any person occupying the position of director, by whatever name called;
- document** includes, unless otherwise specified, any document sent or supplied in electronic form;
- electronic form** has the meaning given in section 1168 of the 2006 Act;
- Eligible Director** a Director who would be entitled to vote on the relevant matter at a meeting of Directors and whose vote is to be counted in respect of the particular matter;
- Fair Value** is, in relation to a share, as determined in accordance with Article 23.
- Family Trust** means, in relation to an Original Shareholder, a trust set up for the benefit of that Original Shareholder and/or that Original Shareholder's Privileged Relations.
- Fixed Dividend** has the meaning given to it in Article

fully paid in relation to a share, means that the nominal value and any premium to be paid to the Company in respect of that share have been paid to the Company;

group means the Company and its group undertakings from time to time and all of them and each of them as the context admits and "group company" means any one of them;

group undertaking shall be construed in accordance with section 1161 of the 2006 Act;

hard copy form has the meaning given in section 1168 of the 2006 Act;

holder in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

instrument means a document in hard copy form;

Ordinary Resolution has the meaning given in section 282 of the 2006 Act;

Ordinary Shares means the ordinary shares of £1.00 each in the capital of the Company;

Original Shareholder means each shareholder, excluding any shareholder who, for the time being, only holds shares as a result of a Permitted Transfer.

paid means paid or credited as paid;

participate in relation to a Directors' meeting, has the meaning given in Article 4.8;

Permitted Transfer means a transfer of Shares made in accordance with Article 21.

Permitted Transferee is, in relation to an Original Shareholder, any of his Privileged Relations or the trustees of his Family Trust(s).

Privileged Relation means the spouse or Civil Partner of an Original Shareholder and the Original Shareholder's children and grandchildren (including step and adopted children and grandchildren).

proxy notice has the meaning given in Article 30;

shareholder means a person who is the holder of a share;

shares means shares in the capital of the Company including the Ordinary Shares and the B Shares.

Special Resolution has the meaning given in section 283 of the 2006 Act;

subsidiary has the meaning given in section 1159 of the 2006 Act;

Transfer Price means the price per Sale Share determined in accordance with Article 20.5.

Transmittee means a person entitled to a share by reason of the death or Bankruptcy of a shareholder or otherwise by operation of law; and

Valuers an independent firm of accountants jointly appointed by the Seller and the Board or, in the absence of agreement between the Seller and the Board on the identity of the expert within 20 Business Days of the expiry of the 20 Business Day period referred to in Article 23, 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).

writing means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

- 1.3. Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the 2006 Act as in force on the date when these Articles become binding on the Company.
- 1.4. Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.5. A reference in these Articles to a numbered Articles is a reference to the relevant article of these Articles unless expressly provided otherwise.

2. LIABILITY OF MEMBERS

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

PART 2

DIRECTORS

3. DIRECTORS' POWERS AND RESPONSIBILITIES

- 3.1. The Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.
- 3.2. The shareholders may, by Special Resolution, direct the Directors to take, or refrain from taking, specified action.
- 3.3. No such Special Resolution invalidates anything which the Directors have done before the passing of the resolution.
- 3.4. The Directors may delegate any of the powers which are conferred on them under these Articles to such person or committee, by such means (including by power of attorney), to such an extent, in relation to such matters or territories and on such terms and conditions, as they think fit.
- 3.5. If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.
- 3.6. The Directors may revoke any delegation in whole or part, or alter its terms and conditions.
- 3.7. Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on the provisions of these Articles which govern the taking of decisions by Directors. The Directors may make rules of procedure for all or any committees, which prevail over rules derived from these Articles if they are not consistent with them.

4. DECISION-MAKING BY DIRECTORS

- 4.1. The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 4.3

- 4.2. If the Company only has one Director for the time being, the general rule does not apply, and the Director may (for so long as he remains the sole Director) take decisions without regard to any of the provisions of these Articles relating to Directors' decision-making.
- 4.3. A decision of the Directors is taken in accordance with this Article 4.3 when all Eligible Directors indicate to each other by any means that they share a common view on a matter. Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it or to which each Eligible Director has otherwise indicated agreement in writing.
- 4.4. A decision may not be taken in accordance with Article 4.3 if the Eligible Directors would not have formed a quorum at such a meeting.
- 4.5. Any Director may call a Directors' meeting by giving notice of the meeting to the Directors or by authorising the Company secretary (if any) to give such notice.
- 4.6. Notice of a Directors' meeting must be given to each Director, but need not be in writing.
- 4.7. Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company either before, on or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 4.8. Directors participate in a Directors' meeting, or part of a Directors' meeting, when the meeting has been called and takes place in accordance with these Articles and they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 4.9. In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- 4.10. If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.
- 4.11. At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 4.12. The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors, but it must never be less than two, and unless otherwise fixed it is two or, where there is only one Director in office for the time being, that Director.
- 4.13. 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 2006 Act and to the other provisions of these Articles.

5. CHAIRMAN

- 5.1 The Directors may appoint a Director to chair their meetings and the person so appointed for the time being is known as the Chairman

5.2 The Chairman shall have a casting vote in respect of the following matters

- 5.2.1. the appointment of new directors (other than directors appointed by the holders of Ordinary Shares in accordance with the shareholders agreement entered into between the shareholders on or around the date of adoption of these articles);
- 5.2.2. loans and / or borrowing arrangements entered into by the Company;
- 5.2.3. capital expenditure relating to the acquisition of any asset or group of assets which is for a consideration or having a value of more than £10,000; and
- 5.3. the disposal of the whole or material part of the assets or Business of the Company.

6. DIRECTORS' INTERESTS

- 6.1. 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 2006 Act or the interest is deemed disclosed by Article 6.2, a Director notwithstanding his office:

- 6.1.1. may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
- 6.1.2. 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;
- 6.1.3. 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); and
- 6.1.4. 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; and (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 2006 Act.

- 6.2. For the purposes of this Article 6, 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 in relation to the Company.

7. DIRECTOR'S CONFLICTS

- 7.1. For the purposes of section 175 of the 2006 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.
- 7.2. Any authorisation of a matter pursuant to Article 7.1 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.
- 7.3. Any authorisation of a matter under Article 7.1 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.

7.4. 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 7.1 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.

7.5. 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 7.5 applies only if the existence of that connection has been authorised by the Directors under Article 7.1. 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 2006 Act because he fails:

7.5.1. to disclose any such information to the Directors or to any Director or other officer or employee of the Company; and/or

7.5.2. to use any such information in performing his duties as a Director or officer or employee of the Company.

7.6. Where the existence of a Director's connection with another person has been authorised by the Directors under Article 7.1 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 2006 Act because he:

7.6.1. 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

7.6.2. 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.

7.7. The provisions of Articles 7.5 and 7.6 are without prejudice to any equitable principle or rule of law which may excuse the Director from:

7.7.1. disclosing information, in circumstances where disclosure would otherwise be required under these Articles or otherwise;

7.7.2. attending meetings or discussions or receiving documents and information as referred to in Article 7.6 in circumstances where such attendance or receiving such documents and information would otherwise be required under these Articles.

7.8. For the purposes of this Article 7 a conflict of interest includes a conflict of interest and duty and a conflict of duties.

8. RECORDS OF DECISIONS TO BE KEPT

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

9. DIRECTORS' DISCRETION TO MAKE FURTHER RULES

The Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

10. APPOINTMENT OF DIRECTORS

10.1. Subject to Article 10.2, any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director by Ordinary Resolution or by a decision of the Directors.

10.2. There shall not be more than four Directors in office at any one time.

10.3. In any case where, as a result of death, the Company has no shareholders and no Directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a Director. For the purposes of this Article 10.2, where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

11. TERMINATION OF DIRECTOR'S APPOINTMENT

11.1. A person ceases to be a Director as soon as:

11.1.1. that person ceases to be a Director by virtue of any provision of the 2006 Act or is prohibited from being a director by law;

11.1.2. a Bankruptcy order is made against that person;

11.1.3. a composition is made with that person's creditors generally in satisfaction of that person's debts;

11.1.4. a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;

11.1.5. notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms; or

11.1.6. he has been, for more than six consecutive months, absent without permission of the Directors from meetings of Directors held during that period and the Directors resolve that his office be vacated.

11.2. The holder or holders for the time being of more than one-half of the issued shares of the Company shall have the power from time to time to appoint a Director and at any time to remove from office any Director howsoever appointed. Any such appointment or removal shall be effected by a notice in writing signed by or on behalf of the member or members exercising the power and shall take effect upon lodgement at the registered office of the Company or upon presentation at a Board meeting or general meeting of the Company, or upon such later date as may be specified in the notice.

11.3. Any removal of a Director pursuant to Article 11.2 shall be without prejudice to any claim for breach of contract under any employment agreement between the Company and the Director so removed.

12. ALTERNATE DIRECTORS

- 12.1. Any Director (the "**appointor**") may appoint as an alternate any other Director, or any other person approved by a resolution or other decision of the Directors to exercise that Director's powers and carry out that Director's responsibilities, in relation to the taking of decisions by the Directors in the absence of the alternate's appointor.
- 12.2. 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.
- 12.3. The notice must identify the proposed alternate and, 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.
- 12.4. An alternate director has the same rights, in relation to any Directors' meeting, all meetings of committees of Directors of which the appointor is a member, any Directors' written resolution or any other unanimous decision of the Directors reached in accordance with Article 4.3 as the alternate's appointor. For the purposes of Article 4.3 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.
- 12.5. Except as these Articles specify otherwise, alternate directors:
 - 12.5.1. are deemed for all purposes to be Directors;
 - 12.5.2. are liable for their own acts and omissions;
 - 12.5.3. are subject to the same restrictions as their appointors; and
 - 12.5.4. are not deemed to be agents of or for their appointors.
- 12.6. A person who is an alternate director but not a Director:
 - 12.6.1. 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
 - 12.6.2. 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).
- 12.7. No alternate may be counted as more than one Director for such purposes.
- 12.8. A Director who is an alternate director has an additional vote on behalf of each appointor:
 - 12.8.1. who is not participating in a Directors' meeting; and
 - 12.8.2. would have been an Eligible Director if they were participating in it.
- 12.9. 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.
- 12.10. An alternate director's appointment as an alternate terminates:

- 12.10.1. when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- 12.10.2. on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director;
- 12.10.3. on the death of the alternate's appointor; or
- 12.10.4. when the alternate's appointor's appointment as a Director terminates.

13. DIRECTORS' REMUNERATION AND EXPENSES

- 13.1. Directors may undertake any services for the Company that the Directors decide.
- 13.2. Subject to article 13.3, Directors are entitled to such remuneration as the Directors determine for their services to the Company as Directors and for any other service which they undertake for the Company.
- 13.3. No remuneration shall be paid to the Directors whilst any arrears relating to the Fixed Dividend are outstanding.
- 13.4. A Director's remuneration may take any form, and include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.
- 13.5. Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.
- 13.6. Unless the Directors decide otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.
- 13.7. The Company may pay any reasonable expenses which the Directors (including alternate directors) properly incur in connection with their attendance at meetings of Directors or committees of Directors, general meetings, or separate meetings of the holders of any class of shares or of debentures of the Company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

PART 3

SHARES AND DISTRIBUTIONS

14. SHARES

- 14.1. No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue. This does not apply to shares taken on the formation of the Company by the subscribers to the Company's memorandum.
- 14.2. The Directors are prohibited from exercising any power of the Company to allot shares or grant rights to subscribe for or convert any security into shares pursuant to section 550 of the Act but may exercise any power of the Company pursuant to section 551 of the Act if they are authorised to do so by resolution of the Company in accordance with that section.
- 14.3. Without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by Ordinary Resolution.

- 14.4. The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the Directors may determine the terms, conditions and manner of redemption of any such shares.
- 14.5. Except as required by law, no person is to be recognised by the Company as holding any share upon any trust and, except as otherwise required by law, the Company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

15. SHARE CERTIFICATES

- 15.1. The Company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- 15.2. Every certificate must specify:
 - 15.2.1. in respect of how many shares, of what class, it is issued;
 - 15.2.2. the nominal value of those shares;
 - 15.2.3. that the shares are fully paid; and
 - 15.2.4. any distinguishing numbers assigned to them.
- 15.3. No certificate may be issued in respect of shares of more than one class.
- 15.4. If more than one person holds a share, only one certificate may be issued in respect of it.
- 15.5. Certificates must have affixed to them the Company's common seal or be otherwise executed in accordance with the Companies Acts.
- 15.6. If a certificate issued in respect of a shareholder's shares is damaged or defaced or said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
- 15.7. A shareholder exercising the right to be issued with such a replacement certificate:
 - 15.7.1. may at the same time exercise the right to be issued with a single certificate or separate certificates;
 - 15.7.2. must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
 - 15.7.3. must comply with such conditions as to evidence and, indemnity and the payment of a reasonable fee as the Directors decide.

16. SHARE RIGHTS: VOTING

- 16.1. The B Shares shall not confer on the holders of the B Shares any rights to vote.
- 16.2. Subject to Article 16.1, on a resolution at a general meeting on a poll, every member (whether present in person, by proxy or by corporate representative) shall have one vote for every Ordinary Share of which he is the holder. On a vote on a resolution at a general meeting on a show of hand each member (present in person, by proxy or by corporate representative) who would be entitled to vote on a poll at that meeting has one vote

17. SHARE RIGHTS: INCOME

- 17.1. In respect of each accounting reference period of the Company, the B Shares shall confer upon the holders thereof (as a class) the right to receive on the B Shares (in aggregate) an amount equal to any interest charges, arrangement fees, exit fees and any other costs directly related to the drawdown of the first £3,000,000 under a loan facility to be entered into by the Company with Secure Trust Bank on or about the date of adoption of these Articles (the **Loan Costs**) (the **Fixed Dividend**).
- 17.2. The Loan Costs shall be determined by reference to the annual accounts of the Company prepared on a basis consistent with previous annual accounts.
- 17.3. The Fixed Dividend shall be declared and paid annually, within 15 Business Days of the approval of the annual accounts by the Directors (**Payment Date**).
- 17.4. The B Shares shall not confer any further right of participation in the Company.
- 17.5. The provisions of Articles 17.1 to 17.3 are subject to any restrictions on the payment of dividends imposed by law. Where, because of such restrictions, the Company cannot pay the full amount of the Fixed Dividend it shall, on or before the Payment Date, pay so much thereof as, subject to such restrictions, it can and the balance when those restrictions cease to apply. The Fixed Dividend shall, on the Payment Date, and without the need for any resolution of the Directors or the Company in general meeting, become a debt due from and immediately payable by the Company to the holders of the B Shares.
- 17.6. No dividends shall be paid on the Ordinary Shares in respect of any financial year unless and until the Fixed Dividend and any arrears due in respect of the Fixed Dividend have been paid in full.
- 17.7. Subject to 17.6, the Ordinary Shares shall carry the right to receive dividends in an amount to be determined by the Directors up to an aggregate amount equal to 50 per cent of the profits of the Company available for distribution.

18. SHARE RIGHTS: CAPITAL

- 18.1. On a distribution of capital on a liquidation, reduction of capital or otherwise the surplus assets of the Company remaining after payment of its liabilities shall in each case be applied to the following purposes and in the following order of priority:
 - 18.1.1. first in paying to the holders of the B Shares, the nominal value of such B Shares and any Fixed Dividend and any arrears in respect of the Fixed Dividend which have not been paid;
 - 18.1.2. second, in paying to the holders of the Ordinary Shares, their nominal value; and
 - 18.1.3. third, in distributing the balance between the holders of the Ordinary Shares in proportion to their Ordinary Shareholdings.

19. SHARE TRANSFERS

- 19.1. No shareholder shall transfer the legal interest in any share except:
 - 19.1.1. a shareholder may transfer all (but not some only) of his shares in the Company for cash in accordance with the procedure set out in Article 20; or
 - 19.1.2. in accordance with Article 21; or

19.1.3. in accordance with Article 22; or

19.1.4. in accordance with Article 24; or

19.1.5. in accordance with Article **Error! Reference source not found.**

19.2. Subject to Article 19.3, the directors must register any duly stamped or certified exempt transfer made in accordance with these Articles and shall not have any discretion to register any transfer of shares which has not been made in compliance with these Articles.

19.3. The directors may, as a condition to the registration of any transfer of shares in the Company (whether to a Permitted Transferee or otherwise) require the transferee to provide the Company with the required particulars under section 790K of the CA 2006 if the transferee is a registrable person or relevant legal entity within the meaning of section 790C of the CA 2006 and to execute and deliver to the Company a deed under which the transferee agrees to be bound by the terms of any shareholders' agreement (or similar document) in force between the shareholders in such form as the directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document). If any such condition is imposed in accordance with this Article 19.3, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee and the Company has received all of the required particulars under section 790K of the CA 2006 if the transferee is a registrable person or relevant legal entity within the meaning of section 790C of the CA 2006.

19.4. To enable the directors to determine whether or not there has been a transfer of shares in the Company in breach of these Articles, the directors of any class may from time to time require any shareholder to provide the Company with such information and evidence as they may reasonably require relevant to that purpose. If a shareholder fails to provide information or evidence in respect of any shares registered in his name to the reasonable satisfaction of such directors within 14 days of their request or, as a result of the information and evidence provided such directors are reasonably satisfied that a breach has occurred, then such directors may serve a notice on the shareholder stating that the shareholder shall not in relation to those shares be entitled to be present or to vote in person or by proxy at any general meeting of the Company or any meeting of the holders of shares of that class, or to vote on a written resolution of the shareholders or to receive dividends on the shares. Such directors may reinstate these rights at any time.

19.5. Any transfer of shares by way of a sale that is required to be made under these Articles shall be deemed to include a warranty that the transferor sells the shares with full title guarantee.

19.6. Any Transfer Notice served in respect of the transfer of any shares (and any related Transfer Notice deemed to have been served by a Permitted Transferee under Article 20.3) which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of the Deemed Transfer Notice.

20. PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

20.1 A shareholder (**Seller**) wishing to transfer the legal title to any shares must give notice in writing (a **Transfer Notice**) to the Company giving details of the proposed transfer including:

20.1.1. the number of shares he wishes to transfer (**Sale Shares**);

20.1.2. if he wishes to sell the Sale Shares to a third party, the name of the proposed buyer (**Proposed Buyer**); and

- 20.1.3. the price (in cash) at which he wishes to sell the Sale Shares (**Proposed Sale Price**).
- 20.2. A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of these Articles.
- 20.3. If an Original Shareholder serves a Transfer Notice under Article 20.1, or is deemed to have served a Transfer Notice under Article 22, any Permitted Transferee of that Original Shareholder to whom shares have been transferred in accordance with Article 21.1 is also deemed to have served a Transfer Notice in respect of all his shares on the same date as the Original Shareholder's Transfer Notice is served or is deemed to have been served (in the case of a Deemed Transfer Notice).
- 20.4. Once given, a Transfer Notice may not be withdrawn by the Seller.
- 20.5. The Transfer Price for each Sale Share the subject of a Transfer Notice shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Seller and the Proposed Buyer. The Transfer Price for each Sale Share of a Permitted Transferee the subject of a Deemed Transfer Notice under Article 20.3 shall be the same as the Transfer Price for each Sale Share of the Original Shareholder.
- 20.6. As soon as practicable following receipt of the Transfer Notice, the directors shall offer the Sale Shares for sale to the other holders of Ordinary Shares (excluding any Shareholder whose shares are, at the date of the Transfer Notice, the subject of a Deemed Transfer Notice) (**Offerees**) inviting them to apply to the Company in writing within the period from the date of the offer to the date 20 Business Days after the offer (both dates inclusive) (**Offer Period**) for the maximum number of Sale Shares they wish to buy. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.
- 20.7. If:
- 20.7.1. at the end of the Offer Period, the total number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the directors shall allocate the Sale Shares to each Offeree who has applied for Sale Shares in the proportion which his existing holding of shares of the class being offered bears to the total number of shares of that class (excluding those held either by the Seller or by any Shareholder whose Shares are, at the date of the Transfer Notice, the subject of a Deemed Transfer Notice). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements among the Offerees shall be determined by the directors). No allocation shall be made to a shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy;
- 20.7.2. not all Sale Shares are allocated following allocations in accordance with Article 20.7.1, but there are applications for Sale Shares that have not been satisfied, the directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in Article 20.7.1. The procedure set out in this Article 20.7.2 shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and
- 20.7.3. at the end of the Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the directors shall allocate the Sale Shares to the Offerees in accordance with their applications. The balance of the Sale Shares (if any) may, with the prior written consent of the Directors,

be transferred to the buyer identified in the Transfer Notice (if any) in accordance with Article 20.11.

- 20.8. The directors shall, when no further offers or allocations are required to be made under Article 20.7, give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and each shareholder to whom Sale Shares have been allocated (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 10 Business Days, but not more than 30 Business Days, after the date of the Allocation Notice).
- 20.9. On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, execute and deliver a transfer of the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice, together with the relevant share certificate(s) (or an indemnity in lieu thereof).
- 20.10. If the Seller fails to comply with Article 20.9:
- 20.10.1. the Chairman (or, failing him, any other director or some other person nominated by a resolution of the directors) may, as agent on behalf of the Seller:
- 20.10.1.1. complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
- 20.10.1.2. receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
- 20.10.1.3. (subject to the transfers being duly stamped) enter the Applicants in the register of shareholders as the holders of the Sale Shares purchased by them; and
- 20.10.2. the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Sale Shares or an indemnity, in a form reasonably satisfactory to the directors, in respect of any lost certificate, together, in either case, with such other evidence (if any) as the board may reasonably require to prove good title to those Sale Shares, to the Company.
- 20.11. Where an Allocation Notice does not relate to all the Sale Shares, then the Seller may, at any time during the 30 Business Days following the date of service of the Allocation Notice, transfer the balance of the Sale Shares to the buyer identified in the Transfer Notice (if any) at a price at least equal to the Transfer Price. The Seller shall not be permitted to transfer any such Sale Shares to a third party buyer if that buyer was not identified in the Transfer Notice.

21. PERMITTED TRANSFERS

- 21.1. Subject to Article 21.2, an Original Shareholder may transfer shares to any of his Permitted Transferees without being required to follow the steps set out in Article 20.
- 21.2. A Shareholder may only transfer shares to the trustees of a Family Trust if the holder(s) of a majority of the other class of shares are satisfied:
- 21.2.1. with the terms of the Family Trust and, in particular, with the powers of the trustees;
- 21.2.2. with the identity of the trustees; and

21.2.3. that no costs (including any liability to tax) incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company.

21.3. Subject to Article 21.2, any shareholder holding shares as a result of a Permitted Transfer made by an Original Shareholder in accordance with this Article 21 may, at any time, transfer his shares back to that Original Shareholder or to another Permitted Transferee of such Original Shareholder, without being required to follow the steps set out in Article 20.

21.4. If a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, that Privileged Relation shall within 20 Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of divorce, dissolution of a civil partnership or otherwise but not by reason of death) execute and deliver to the Company a transfer of the shares held by him to the Original Shareholder (or, if so directed by the Original Shareholder, to a Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them, failing which he shall be deemed to have given a Transfer Notice in respect of the shares and Article 20 and Article 22.2 shall apply.

21.5. On the death or bankruptcy of a Privileged Relation (other than a joint holder), his personal representatives or trustee in bankruptcy (as the case may be) shall offer the shares held by the Privileged Relation for transfer to the Original Shareholder or, if so directed by the Original Shareholder, to a Permitted Transferee of the Original Shareholder, within 20 Business Days after the grant of probate or the making of the bankruptcy order (as the case may be), for such consideration as may be agreed between the Original Shareholder and the personal representatives or trustee in bankruptcy (as the case may be). If:

21.5.1. a transfer of the shares has not been executed and delivered within 30 Business Days of the grant of probate or the making of the bankruptcy order (as the case may be); or

21.5.2. the Original Shareholder is himself the subject of a bankruptcy order,

the personal representatives or trustee in bankruptcy (as the case may be) shall be deemed to have given a Transfer Notice in respect of the shares and Article 20 and Article 22.2.

21.6. If a Permitted Transfer has been made to the trustees of a Family Trust, the trustees of that Family Trust shall within 20 Business Days of that Family Trust ceasing to be for the benefit of the Settlor and/or the Settlor's Privileged Relations execute and deliver to the Company a transfer of the shares held by them or the Family Trust to the Original Shareholder or, if so directed by the Original Shareholder, to a Permitted Transferee of the Original Shareholder, for such consideration as may be agreed between them, failing which the trustees shall be deemed to have given a Transfer Notice in respect of the shares and Article 20 and Article 22.2 shall apply.

22. COMPULSORY TRANSFERS

22.1. Subject to Article 21.5, the Board may, at any time after the occurrence of the relevant event, by notice in writing to the relevant shareholder and/ or that shareholder's Transmittée, determine that a shareholder is deemed to have served a Transfer Notice under Article 20.1 immediately before any of the following events:

22.1.1. the death of the shareholder;

22.1.2. an order being made for the shareholder's bankruptcy; or

- 22.1.3. an arrangement or composition with any of the shareholder's creditors being made; or
 - 22.1.4. the shareholder convening a meeting of his creditors, or taking any other steps with a view to making an arrangement or composition in satisfaction of his creditors generally; or
 - 22.1.5. the shareholder being unable to pay his debts as they fall due within the meaning of section 268 of the Insolvency Act 1986; or
 - 22.1.6. any encumbrancer taking possession of, or a receiver being appointed over or in relation to, all or any material part of the shareholder's assets; or
 - 22.1.7. the happening in relation to a shareholder of any event analogous to any of the above in any jurisdiction in which he is resident, carries on business or has assets; or
 - 22.1.8. the shareholder lacking capacity (under section 2 of the Mental Capacity Act 2005) to make decisions in relation to the Company or his shareholding; or
 - 22.1.9. the shareholder committing a material or persistent breach of any shareholders' agreement to which he is a party in relation to the shares in the Company which if capable of remedy has not been so remedied within 20 Business Days of the holder(s) of a majority of the shares of the other class requiring such remedy.
- 22.2. The Deemed Transfer Notice has the same effect as a Transfer Notice, except that:
- 22.2.1. the Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the Sale Shares and, subject to Article 22.2.2, the Transfer Price for the Sale Shares shall be the aggregate Fair Value of those shares, determined by the Valuers in accordance with Article 23; and
 - 22.2.2. if the Seller is deemed to have given a Transfer Notice as a result of Article 22.1.9, the Transfer Price shall 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.
- 22.3. A Deemed Transfer Notice under Article 22.1.9 shall immediately and automatically revoke:
- 22.3.1. a Transfer Notice served by the relevant shareholder or any of his Permitted Transferees (and any Transfer Notices deemed to have been served by any of his Permitted Transferees under Article 20.3, where the relevant shareholder is an Original Shareholder) before the occurrence of the relevant event giving rise to the Deemed Transfer Notice under Article 22.1.9; and
 - 22.3.2. a Deemed Transfer Notice deemed to be served by the relevant shareholder under any of the events set out in Article 22.1.1 to Article 22.1.8 (inclusive) (and any Transfer Notices deemed to have been served by any of his Permitted Transferees) before the occurrence of the relevant event giving rise to the Deemed Transfer Notice under Article 22.1.9.

23. VALUATION

- 23.1 The Valuers shall be requested to determine the Fair Value within 30 Business Days of their appointment and to notify the Company and the Seller in writing of their determination.

- 23.2. The Fair Value for any Sale Share shall be the price per share determined in writing by the Valuers on the following bases and assumptions:
- 23.2.1. 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;
 - 23.2.2. if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - 23.2.3. the sale is to be on arms' length terms between a willing seller and a willing buyer;
 - 23.2.4. the Sale Shares are sold free of all encumbrances;
 - 23.2.5. the sale is taking place on the date the Valuers were requested to determine the Fair Value; and
 - 23.2.6. to take account of any other factors that the Valuers reasonably believe should be taken into account.
- 23.3. The shareholders are entitled to make submissions to the Valuers including oral submissions and will provide (or procure that the Company provides) the Valuers with such assistance and documents as the Valuers reasonably require for the purpose of reaching a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the shareholders may reasonably require.
- 23.4. To the extent not provided for by this Article 23, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate, including (to the extent they consider necessary) instructing professional advisers to assist them in reaching their valuation.
- 23.5. The Valuers shall act as expert and not as arbitrator and their written determination shall be final and binding on the shareholders in the absence of manifest error or fraud.
- 23.6. The cost of obtaining the Valuers' valuation shall be borne by the Company and the Seller equally or in such other proportions as the Valuers direct.

24. TAG ALONG

- 24.1. The provisions of Article 24.2 to Article 24.6 shall apply if a holder or holders of at least 50% of the shares in issue for the time being (**Seller(s)**) propose(s) to transfer shares to a bona fide purchaser on arm's length terms (**Proposed Transfer**) and such transfer would, if carried out, result in such person (**Buyer**) acquiring a Controlling Interest in the Company.
- 24.2. Before making a Proposed Transfer, the Seller(s) shall procure that the Buyer makes an offer (**Offer**) to the holder(s) of the remaining shares in issue for the time being (**Remaining Shareholders**) to purchase all of shares held by the Remaining Shareholders 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 (**Specified Price**).
- 24.3. The Offer shall be made by written notice (**Offer Notice**), at least 20 Business Days before the proposed transfer date (**Transfer Date**). To the extent not described in any accompanying documents, the Offer Notice shall set out:
- 24.3.1. the identity of the Buyer;

- 24.3.2. the Specified Price and other terms and conditions of payment;
 - 24.3.3. the Transfer Date; and
 - 24.3.4. the number of shares proposed to be purchased by the Buyer (**Offer Shares**).
- 24.4. If the Buyer fails to make the Offer in accordance with Article 24.2 and Article 24.3, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of shares effected in accordance with the Proposed Transfer.
- 24.5. If the Offer is accepted by the Remaining Shareholders 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.
- 24.6. The Proposed Transfer is subject to the rights of pre-emption set out in Article 20, but the purchase of the Offer Shares shall not be subject to those provisions.

25. TRANSMISSION OF SHARES

- 25.1. If title to a share passes to a Transmittor, the Company may only recognise the Transmittor as having any title to that share.
- 25.2. A Transmittor who produces such evidence of entitlement to shares as the Directors may properly require may choose either to become the holder of those shares or to have them transferred to another person and pending any transfer of the shares to another person, has the same rights as the holder had.
- 25.3. Transmittors do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or Bankruptcy or otherwise, unless they become the holders of those shares.
- 25.4. Transmittors who wish to become the holders of shares to which they have become entitled must notify the Company in writing of that wish.
- 25.5. If the Transmittor wishes to have a share transferred to another person, the Transmittor must execute an instrument of transfer in respect of it.
- 25.6. Any transfer made or executed under this Article is to be treated as if it were made or executed by the person from whom the Transmittor has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.
- 25.7. If a notice is given to a shareholder in respect of shares and a Transmittor is entitled to those shares, the Transmittor is bound by the notice if it was given to the shareholder before the Transmittor's name has been entered in the register of members.

26. DIVIDENDS AND OTHER DISTRIBUTIONS

- 26.1. The Company may by Ordinary Resolution declare dividends, and the Directors may decide to pay interim dividends.
- 26.2. No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 26.3. Unless the shareholders' resolution to declare or Directors' decision to pay a dividend, or the rights attached to any shares, specify otherwise, it must be paid by reference to

each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.

- 26.4. The Directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- 26.5. If the Directors act in good faith, they do not incur any liability to the holders of B Shares for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.
- 26.6. Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:
 - 26.6.1. transfer to a bank or building society account specified by the distribution recipient either in writing or as the Directors may otherwise decide;
 - 26.6.2. sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the Directors may otherwise decide;
 - 26.6.3. sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the Directors may otherwise decide; or
 - 26.6.4. any other means of payment as the Directors agree with the distribution recipient either in writing or by such other means as the Directors decide.
- 26.7. In these Articles, the "**distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable:
 - 26.7.1. the holder of the share; or
 - 26.7.2. if the share has two or more joint holders, whichever of them is named first in the register of members; or
 - 26.7.3. if the holder is no longer entitled to the share by reason of death or Bankruptcy, or otherwise by operation of law, the Transmitter.
- 26.8. The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by the rights attached to the share, or the provisions of another agreement between the holder of that share and the Company.
- 26.9. All dividends or other sums which are payable in respect of shares and unclaimed after having been declared or become payable may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.
- 26.10. The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.
- 26.11. If twelve years have passed from the date on which a dividend or other sum became due for payment and the distribution recipient has not claimed it, the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.
- 26.12. Subject to the terms of issue of the share in question, the Company may, by Ordinary Resolution or by a resolution or other decision of the Directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-

cash assets of equivalent value (including, without limitation, shares or other securities in any Company).

- 26.13. For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution fixing the value of any assets, paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients and vesting any assets in trustees.
- 26.14. Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the Company notice in writing to that effect, but if the share has more than one holder or more than one person is entitled to the share, whether by reason of the death or Bankruptcy of one or more joint holders, or otherwise, the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

27. CAPITALISATION OF PROFITS

- 27.1. The Directors may, if they are so authorised by an Ordinary Resolution:
- 27.1.1. decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and
- 27.1.2. appropriate any sum which they so decide to capitalise (a "**capitalised sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**persons entitled**") and in the same proportions.
- 27.2. Capitalised sums must be applied on behalf of the persons entitled and in the same proportions as a dividend would have been distributed to them.
- 27.3. Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 27.4. A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 27.5. The Directors may:
- 27.5.1. apply capitalised sums in accordance with Articles 27.3 and 27.4 partly in one way and partly in another;
- 27.5.2. make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this Article (including the issuing of fractional certificates or the making of cash payments); and
- 27.5.3. authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this Article.

PART 4

DECISION-MAKING BY SHAREHOLDERS

28. ORGANISATION OF GENERAL MEETINGS

- 28.1. A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 28.2. A person is able to exercise the right to vote at a general meeting when:
- 28.2.1. that person is able to vote during the meeting on resolutions put to the vote at the meeting, and
- 28.2.2. that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 28.3. The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 28.4. In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 28.5. Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.
- 28.6. The quorum for a general meeting shall be determined according to section 318 of the 2006 Act and no business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.
- 28.7. If the Directors have appointed a Chairman, the Chairman shall chair general meetings if present and willing to do so.
- 28.8. If the Directors have not appointed a Chairman, or if the Chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start the Directors present or (if no Directors are present), the meeting, must appoint a *Director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.*
- 28.9. The person chairing a meeting in accordance with this Article 28 is referred to as the "**chairman of the meeting**".
- 28.10. Directors may attend and speak at general meetings, whether or not they are shareholders.
- 28.11. The chairman of the meeting may permit other persons who are not shareholders of the Company or otherwise entitled to exercise the rights of shareholders in relation to general meetings to attend and speak at a general meeting.
- 28.12. If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, or if at any time during a quorate general meeting the meeting directs him to do so the chairman of the meeting must adjourn it and he may adjourn a general meeting at which a quorum is present if:
- 28.12.1 the meeting consents to an adjournment, or

- 28.12.2. it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 28.13. When adjourning a general meeting, the chairman of the meeting must:
 - 28.13.1. either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors, and
 - 28.13.2. have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 28.14. If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
 - 28.14.1. to the same persons to whom notice of the Company's general meetings is required to be given, and
 - 28.14.2. containing the same information which such notice is required to contain.
- 28.15. No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place and if, at an adjourned general meeting, a quorum is not present within half an hour from the time appointed for the meeting, the shareholders present shall be a quorum.

29. VOTING AT GENERAL MEETINGS

- 29.1. A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded.
- 29.2. No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 29.3. Any such objection must be referred to the chairman of the meeting, whose decision is final.
- 29.4. A poll on a resolution may be demanded in advance of the general meeting where it is to be put to the vote or at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 29.5. A poll may be demanded by the chairman of the meeting, the Directors, two or more persons having the right to vote on the resolution or a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.
- 29.6. A demand for a poll may be withdrawn if the poll has not yet been taken, and the chairman of the meeting consents to the withdrawal. A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.
- 29.7. Polls must be taken immediately and in such manner as the chairman of the meeting directs.

30. PROXY NOTICES

- 30.1. Proxies may only validly be appointed by a notice in writing (a "proxy notice")

- 30.2. Which:
- 30.2.1. states the name and address of the shareholder appointing the proxy;
 - 30.2.2. identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
 - 30.2.3. is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and
 - 30.2.4. is delivered to the Company in accordance with these 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,

and a proxy notice which is not delivered in such matter shall be invalid unless the Directors, in their discretion, accept the notice at any time before the meeting.

- 30.3. The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 30.4. Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 30.5. Unless a proxy notice indicates otherwise, it must be treated as:
 - 30.5.1. allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
 - 30.5.2. appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.
- 30.6. A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.
- 30.7. An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 30.8. A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 30.9. If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

31. AMENDMENTS TO RESOLUTIONS

- 31.1. An Ordinary Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if:
 - 31.1.1. notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine); and

- 31.1.2. the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 31.2. A Special Resolution to be proposed at a general meeting may be amended by Ordinary Resolution, if:
 - 31.2.1. the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - 31.2.2. the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 31.3. If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

PART 5

ADMINISTRATIVE ARRANGEMENTS

32. MEANS OF COMMUNICATION TO BE USED

- 32.1. Anything sent or supplied by or to the Company under these Articles may be sent or supplied in any way in which the 2006 Act provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.
- 32.2. Every notice convening a general meeting shall comply with the provisions of section 307 and 325 of the 2006 Act as to the length of notice required for the meeting and the giving of information to shareholders in regard to their right to appoint proxies and notices of and other communications relating to any general meeting which any shareholder is entitled to receive shall be sent to the Directors and to the auditor for the time being of the Company.
- 32.3. Any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
- 32.4. A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

33. DEEMED DELIVERY OF DOCUMENTS AND INFORMATION

- 33.1. Any notice, document or other information sent or supplied by the Company:
 - 33.1.1. 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;
 - 33.1.2. 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;
 - 33.1.3. sent or supplied by means of a website, shall be deemed to have been received by the intended recipient:

33.1.3.1. when the material was first made available on the website; or

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

33.1.4. 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.

33.2. For the purposes of this Article 33, no account shall be taken of any part of a day that is not a working day.

33.3. 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.

34. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

34.1. Except as provided by law or authorised by the Directors or an Ordinary Resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a shareholder.

35. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

35.1. The Directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a Director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

36. DIRECTORS' INDEMNITY AND INSURANCE

36.1. Subject to Article 36.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled :

36.1.1. each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including 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

36.1.2. the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings, investigation, action or application referred to in Article 36.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

36.2. This Article 36 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

- 36.3. 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.
- 36.4. In this Article 36:
- 36.4.1. **"associated company"** means any member of the Group and associated companies shall be construed accordingly;
- 36.4.2. 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
- 36.4.3. 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 2006 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).