



05891518

Board Resolution – 15 November 2010

At a meeting of the board of directors of Click Tonight Ltd on 15 November 2010 the following resolution was proposed and approved by the Board

The New Articles of Association dated 22 November shall be adopted by the Company on 22 November 2010

Signed

CATHERINE JACKON

Director

FRIDAY



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10/12/2010

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THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

CLICK TONIGHT LIMITED

(Adopted by special resolution passed on 22 November 2010)

INTRODUCTION

1. INTERPRETATION

1.1 In these Articles, unless expressly provided otherwise, the following words have the following meanings

Act: the Companies Act 2006,

acting in concert: has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended),

Adoption Date: the date of adoption of these Articles,

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

Available Profits: profits available for distribution within the meaning of part 23 of the Act,

Business Day: any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business,

Call: has the meaning given to it in *article 23 3*,

Call Notice: has the meaning given to it in *article 23 3*,

Chairman: has the meaning given to it in *article 5 3*,

Companies Acts: has the meaning given to it in the Act,

Company: means Click Tonight Limited (Company number 08591518),

Connected: has the meaning given in section 252 of the Act,

Controlling Interest: an interest in Shares conferring on the holder or holders control of the Company within the meaning of section 840 of the Income and Corporation Taxes Act 1988,

Deemed Transfer Notice: a Transfer Notice which is deemed to have been served by any of the provisions of these Articles,

Directors: the directors of the Company from time to time,

Disposal: the disposal by the Company of all, or a substantial part of, its business and assets,

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

Exit: a Share Sale, a Disposal or a Listing,

Fair Value: has the meaning given in *article 17 2*,

Family Trust: as regards any particular individual Shareholder (or deceased or former individual Shareholder) trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made, or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares in question is for the time being vested in any person other than the particular Shareholder and/or any of the Privileged Relations of that Shareholder (and so that for this purpose a person shall be considered to be beneficially interested in a Share if such Share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of any such person or any voting or other rights attaching thereto are exercisable by or as directed by any such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons),

Financial Institution: any Financial Services Authority registered financial investor (or a financial investor registered with the equivalent body or authority in the country of the relevant financial investor's principal place of business),

Financial Year: an accounting reference period (as defined in section 391 of the Act) of the Company,

Founders: Catherine Louise Jackson and Stephen Michael Jackson

Fund Manager: a person whose principal business is to make, manage or advise upon investments in securities,

Group: the Company and its subsidiaries (if any) from time to time and **Group Company** shall be construed accordingly,

Holding company: has the meaning given in section 1159 of the Act,

Independent Expert: the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants appointed by the Company and the Seller or, in the absence of agreement between the Company and the Seller on the identity of the expert or its terms of appointment within 10 Business

Days of the expiry of the 7 Business Day period referred to in *article* 171, an independent firm of accountants appointed, and whose terms of appointment are agreed, by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator),

Institutional Investor: a fund, partnership, body corporate, trust or other person or entity whose principal business is to make investments or a person whose business is to make, manage or advise upon investments for any of the foregoing,

Investor Consent: the prior consent in writing or at a general meeting of an Investor Majority,

Investor Majority: the holder(s) for the time being of not less than 50% plus 1 share by nominal value of all Shares held by Investors from time to time,

Issue Price: in respect of any Share, the subscription price paid (or agreed to be paid) in respect of that Share, including any share premium,

Lien Enforcement Notice: means a notice in writing which complies with the requirements of article article 23 2(b),

Listing: the successful application and admission of all or any of the Shares, or securities representing such Shares (including American depositary receipts, American depositary shares and/or other instruments) to the Official List of the UK Listing Authority or on the AIM market operated by the London Stock Exchange plc, or the Nasdaq National Stock Market of the Nasdaq Stock Market Inc, or to any recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000),

Member of the Same Group: as regards any company, a company which is from time to time a holding company or a subsidiary of that company or a subsidiary of any such holding company,

Member of the Same Fund Group: if the Shareholder is a fund, partnership, company, syndicate or other entity whose business is managed by a Fund Manager (an **Investment Fund**) or a nominee of that person

- (a) any participant or partner in or member of any such Investment Fund or the holders of any unit trust which is a participant or partner in or member of any Investment Fund (but only in connection with the dissolution of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of business),
- (b) any Investment Fund managed by that Fund Manager or a Fund Manager which is a Member of the Same Group as that Fund Manager,
- (c) any trustee, nominee or custodian of such Investment Fund and vice versa,
- (d) the Fund Manager of that Investment Fund or a Fund Manager of any other Investment Fund which is a Member of the Same Fund Group as that Investment Fund (or a nominee of any such Fund Manager) and vice versa, or
- (e) any Member of the same Group as that Fund Manager,

Model Articles: the model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (*SI 2008/3229*), as amended prior to the Adoption Date,

Offered Shareholders: an offer of Shares to a shareholder,

Original Shareholder: has the meaning given in *article 14 1*,

Permitted Transfer: a transfer of Shares made in accordance with *article 14*,

Permitted Transferee: in relation to

(a) a Shareholder who is an individual, any of his Privileged Relations or the trustee(s) of a Family Trust,

(b) a Shareholder which is a company, a Member of the Same Group as that company, and

(c) an Investor, to (i) a Member of the Same Fund Group as that Investor, or (ii) a Member of the Same Group as that Investor, or (iii) any nominee of that Investor (or of a Member of the Same Fund Group as that Investor) or (iv) any other Investor,

Privileged Relation: in relation to a Shareholder who is an individual Shareholder (or a deceased or former individual Shareholder) means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue) and natural parent,

Sale Shares: has the meaning given in *article 16 2(a)*,

Seller: has the meaning given in *article 16 2*,

Shareholder: a holder for the time being of any Share or Shares,

Share Option Scheme: any share option scheme of the Company adopted by resolution of the Directors for the purposes of these Articles,

Shares: shares (of any class) in the capital of the Company and **Share** shall be construed accordingly,

Share Sale: the sale of (or the grant of a right to acquire or to dispose of) any Shares (in one transaction or as a series of transactions) which would, if completed, result in the buyer of those Shares (or grantee of that right) and persons acting in concert with him together acquiring a Controlling Interest, except where the Shareholders and the proportion of Shares held by each of them following completion of the sale are the same as the Shareholders and their shareholdings in the Company immediately before the sale,

Subsidiary: in relation to a holding company wherever incorporated, means a "subsidiary" (as defined in section 1159 of the Act) for the time being and any other company which for the time being is itself a subsidiary (as so defined) of a company which is itself a subsidiary of such holding company,

Transfer Notice: has the meaning given in *article 16 2*, and

Transfer Price: has the meaning given in *article 177*

- 1 2 A reference in these Articles to
- (a) an **Article** is a reference to the relevant numbered article of these Articles, and
 - (b) a **model article** is a reference to the relevant article,

unless expressly provided otherwise

- 1 3 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles (but excluding any statutory modification of them not in force on the Adoption Date)

- 1 4 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles

- 1 5 In these Articles, words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa

- 1 6 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of

- (a) any subordinate legislation from time to time made under it, and
- (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts

2. **ADOPTION OF THE MODEL ARTICLES**

- 2 1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other previous articles of association applicable to the Company or articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation

- 2 2 Model articles 7, 8, 9(1) and (3), 11(2) and (3), 12, 13, 14(1) to (4) (inclusive), 16, 22, 26(5), 38, 39, and 51 to 53 (inclusive) shall not apply to the Company

- 2 3 Model article 20 shall be amended by the insertion of the words "and the secretary" before the words "properly incur"

- 2 4 In model article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity"
- 2 5 Model article 29 shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name"

DIRECTORS

3. NUMBER OF DIRECTORS

- 3 1 The number of Directors shall not exceed 10 The Directors may resolve in a duly convened and quorate board meeting to impose a maximum or minimum number of Directors

4. PROCEEDINGS OF DIRECTORS

- 4 1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with *article 4 2* (subject to *article 4 3* and *article 4 4*)
- 4 2 A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter
- 4 3 A decision taken in accordance with *article 4 2* 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 2* if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with *article 4 4* and *article 4 6*
- 4 5 The quorum for any meeting (or, where specified below, part of a meeting) of the Directors shall be two Eligible Directors
- 4 6 For the purposes of any meeting (or part of a meeting) held pursuant to *article 7* to authorise a Conflict (as defined in *article 7 1*), if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director
- 4 7 If the number of Directors in office for the time being is less than two, the Director in office shall count as a quorum

4 8 Questions arising at any meeting of the Directors shall be decided by a majority of votes. If there is an equality of votes, the Chairman (or other chairman of the meeting) shall have a second or casting vote unless, in respect of a particular meeting (or part of a meeting), in accordance with the Articles, the Chairman (or other chairman of the meeting) is not an Eligible Director for the purposes of that meeting (or part of a meeting)

4 9 Where decisions of the Directors are taken by electronic means, such decisions shall be recorded by the Directors in permanent form, so that they may be read with the naked eye

4 10 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

5. APPOINTMENT AND REMOVAL OF DIRECTORS

5 1 Model article 17(1) shall be modified by the inclusion, at the end of that model article, of the words "provided that the appointment does not cause the number of Directors to exceed the maximum number set out in article 3 1 of these Articles"

5 2 Model article 18 shall be modified by the addition of the following events upon the occurrence of which a person shall cease to be a Director

- (a) he is convicted of a criminal offence (other than a minor motoring offence) and a majority of the other Directors resolve that he cease to be a Director,
- (b) a majority of the other Directors resolve that he cease to be a Director, and
- (c) in the case of an executive Director only, he shall cease to be employed by the Company or other Group Company (as appropriate) and does not continue as an employee of any other Group Company

5 3 The Directors may, appoint any person as chairman of the board of Directors (**Chairman**) and may, remove and replace any such Chairman. If there is no Chairman in office for the time being, or the Chairman is unable to attend any meeting of the Directors, the Directors present at the meeting must appoint another Director present at the meeting to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting

6. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

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

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

7. DIRECTORS' CONFLICTS

7.1 The Directors may, in accordance with the requirements set out in this *article 7*, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**)

7.2 Any authorisation under this *article 7* will be effective only if

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

- 73 Any authorisation of a Conflict under this *article 7* may (whether at the time of giving the authorisation or subsequently)
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
 - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict,
 - (c) provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict,
 - (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit,
 - (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence, and
 - (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters
- 74 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict
- 75 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation
- 76 A Director, notwithstanding his office, may be a Director or other officer of, employed by, or otherwise interested (including by the holding of shares) in his appointor(s) (or any Permitted Transferee of such appointor(s)) and no authorisation under *article 7 1* shall be necessary in respect of any such interest
- 77 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in general meeting (subject in each

case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

8. SECRETARY

The Directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the Directors so decide, appoint a replacement, in each case by a decision of the Directors

SHARES AND DISTRIBUTIONS

9. DIVIDENDS

9.1 In respect of any Financial Year, the Available Profits of the Company may be used to pay dividends as set out in this *article 9*

9.2 Each dividend shall be distributed to the appropriate Shareholders pro rata according to the number of Shares held by them respectively

10. LIQUIDATION

On a return of assets on liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the Company remaining after the payment of its liabilities shall be (to the extent that the Company is lawfully able to do so) distributed among the Shareholders pro rata to the number of Shares held

11. EXIT PROVISIONS

11.1 The proceeds of a Share Sale shall be distributed as set out in *article 10* The Directors shall not register any transfer of Shares if the consideration payable (including any deferred consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale (**Sale Proceeds**) is not distributed in that manner provided that, if the Sale Proceeds are not settled in their entirety upon completion of the Share Sale

- (a) the Directors may register the transfer of the relevant Shares, provided that the Sale Proceeds due on the date of completion of the Share Sale have been distributed as set out in *article 10*, and
- (b) each Shareholder shall take any reasonable action (to the extent lawful required by an Investor Majority to ensure that the balance of the Sale Proceeds are distributed as set out in *article 10*

- 11 2 On a Disposal, the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so as set out in *article 10*, provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, each Shareholder shall (to the extent lawful) take any reasonable action required by an Investor Majority (including, but without prejudice to the generality of this *article 11 2*, such action as may be necessary to put the Company into voluntary liquidation so that *article 10* applies)
- 11 3 In the event of an Exit approved by the Directors (acting with Investor Consent) (**Proposed Exit**), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Exit. The Shareholders shall be required to take all lawful actions with respect to the Proposed Exit as are required by the Directors to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this *article 11 3*
- (a) the Company shall be constituted the agent and attorney of each defaulting Shareholder for taking such actions as are necessary to effect the Proposed Exit,
 - (b) the Directors may authorise an officer of the Company or a Shareholder to execute and deliver on behalf of such defaulting Shareholder all or any necessary documents, and
 - (c) the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders (without any obligation to pay interest)
- 11 4 The Company shall not without the unanimous consent of the Founders, issue any Shares unless it procures that further Shares are issued to the Founders, at no cost to the Founders so that the number of Shares that the Founders hold does not fall below 40% of the total Shares in issue. The obligation on the Company under this clause shall cease after the Company has issued further Shares with a total subscription price of, or equivalent to, £1,050,000 from the date of adoption of these Articles.

12. VARIATION OF CLASS RIGHTS

- 12 1 Whenever the share capital of the Company is divided into different classes of Shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding up) with the consent in writing of the holders of at least 75% in nominal value of the issued Shares of that class

12 2 The creation of a new class of Shares which has preferential rights to one or more existing classes of Shares shall not, constitute a variation of the rights of those existing classes of Shares

12 3 Subject to the provisions of this clause, all previous classes of shares shall be consolidated in these Articles into a single class of ordinary shares of £1 each

13. TRANSFERS OF SHARES: GENERAL

13 1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share

13 2 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles Subject to *article 13 5*, the Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent

13 3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall be deemed to have immediately served a Transfer Notice in respect of all Shares held by him

13 4 Any transfer of a Share by way of sale which is required to be made under *article 18*, *article 19* or *article 20* shall be deemed to include a warranty that the transferor sells the Share with full title guarantee

13 5 The Directors may (and shall, if requested by an Investor Majority), as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed, in favour of the Company agreeing to be bound by the terms of any shareholders' agreement (or similar document) in force between any of the Shareholders and/or the Company, in such form as the Directors (acting with Investor Consent) may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor) If any condition is imposed in accordance with this *article 13 5*, the transfer may not be registered unless and until that deed has been executed and delivered to the Company's registered office by the transferee

13 6 To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may require

- (a) any holder (or the legal representatives of a deceased holder), or
- (b) any person named as a transferee in a transfer lodged for registration, or

- (c) such other person as the Directors may reasonably believe to have information relevant to that purpose,

to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose

13 7 If any such information or evidence referred to in *article 13 6* is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares of that fact in writing and then,

- (a) the relevant Shares shall cease to confer on the holder of them any rights
 - (i) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares,
 - (ii) to receive dividends otherwise attaching to those Shares,
- (b) the Directors may, by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Shares with effect from the date of service of the notice (or such later date as may be specified in such notice)

The Directors may reinstate the rights referred to in *article 13 7(a)* at any time and, in any event, such rights shall be reinstated on completion of a transfer made pursuant to *article 13 7(b)*]

13 8 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that

- (a) it does not contain a Minimum Transfer Condition, and
- (b) the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice)

13 9 Any Transfer Notice (but not an Offer Notice (as defined in *article 19*) or a Drag Along Notice (as defined in *article 20*)) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of a Deemed Transfer Notice

14. PERMITTED TRANSFERS OF SHARES

14 1 A Shareholder (the **Original Shareholder**) may transfer all or any of his or its Shares to a Permitted Transferee

14 2 Where Shares are held by the trustee(s) of a Family Trust, the trustee(s) may transfer Shares to

- (a) the Original Shareholder,
- (b) any Privileged Relation(s) of the Original Shareholder,
- (c) subject to *article* 14 3, the trustee(s) of another Family Trust of which the Original Shareholder is the Settlor, or
- (d) subject to *article* 14 3, to the new (or remaining) trustee(s) upon a change of trustee(s) of a Family Trust,

without any price or other restriction

14 3 A transfer of Shares may only be made to the trustee(s) of a Family Trust if the Directors are satisfied

- (a) with the terms of the trust instrument and, in particular, with the powers of the trustee(s),
- (b) with the identity of the proposed trustee(s),
- (c) that the proposed transfer will not result in 50% or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts, and
- (d) that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company

14 4 If the Original Shareholder is a company, and a Permitted Transfer has been made, the Permitted Transferee shall, within 7 Business Days of ceasing to be a Member of the Same Group as the Original Shareholder, transfer the Shares held by it to

- (a) the Original Shareholder, or
- (b) a Member of the Same Group as the Original Shareholder,

(which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this *article* 14 4, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this *article* 14 4

14 5 If the Original Shareholder is an Investment Fund (or nominee of such person) and a Permitted Transfer has been made, the Permitted Transferee shall, within 7 of

Business Days of ceasing to be a Member of the Same Fund Group as the Original Shareholder, transfer the Shares held by it to

- (a) the Original Shareholder, or
- (b) a Member of the Same Fund Group as the Original Shareholder,

(which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this *article* 14 5, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this *article* 14 5

14 6 If the Original Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, the Permitted Transferee (or the transmittee(s) of any such person), shall within 7 Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death, divorce or otherwise) either

- (a) execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them, or
- (b) give a Transfer Notice to the Company in accordance with *article* 16,

failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this *article* 14 6. This *article* 14 6 shall not apply to a transmittee of a Permitted Transferee if that transmittee is also a Permitted Transferee of the Original Shareholder, to the extent that such transmittee is legally or beneficially entitled to those Shares

14 7 Notwithstanding any other provision of this *article* 14, a transfer of any Shares approved by the Directors may be made without any price or other restriction and any such transfer shall be registered by the Directors

15. AUTHORITY TO ALLOT SHARES

15 1 Subject to the remaining provisions of this *Article* 15, the Directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to

- (a) offer or allot,
- (b) grant rights to subscribe for or to convert any security into, and
- (c) otherwise deal in, or dispose of,

any Shares (or any options, warrants, conversion rights and all other rights to acquire or subscribe for Shares) to any person, at any time and subject to any terms and conditions as the Directors think proper

16. PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

16.1 Except where the provisions of *article 14*, *article 19* or *article 20* apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this *article 16*

16.2 A Shareholder who wishes to transfer Shares (a **Seller**) shall, before transferring or agreeing to transfer any Shares, give notice in writing (a **Transfer Notice**) to the Company specifying

- (a) subject to *article 13.8(b)*, the number of Shares he wishes to transfer (**Sale Shares**),
- (b) the name of the proposed transferee, if any,
- (c) the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the **Proposed Sale Price**), and
- (d) subject to *article 13.8(a)*, whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a **Minimum Transfer Condition**)

16.3 Except in the case of a Deemed Transfer Notice (which may not be withdrawn), where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair Value is less than the Proposed Sale Price the Seller may, within 3 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice

16.4 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price

16.5 As soon as practicable following the later of

- (a) receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served, and
- (b) the determination of the Transfer Price,

the Directors shall (unless the Transfer Notice is withdrawn in accordance with *article 16.3*) offer the Sale Shares for sale in the manner set out in the remaining provisions of this *article 16* at the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered

- 16 6 The Company shall, subject to *article* 18, offer the Sale Shares to the Shareholders on the basis set out in *article* 16 7 to *article* 16 14 (inclusive)
- 16 7 The Directors shall offer the Sale Shares to the Offered Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 5 Business Days after the offer (both dates inclusive) (the **Offer Period**) for the maximum number of Sale Shares they wish to buy
- 16 8 If
- (a) at the end of the Offer Period, the 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 Offered Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares of the class being offered held by all Offered Shareholders (other than the Seller) 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 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,
 - (b) not all Sale Shares are allocated following allocations in accordance with *article* 16.8(a), 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* 16 8(a) The procedure set out in this *article* 16 8(b) 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
 - (c) 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 Offered Shareholders in accordance with their applications
- 16 9 Where the Transfer Notice contains a Minimum Transfer Condition
- (a) any allocation made under *articles* 16 7 or 16 8 shall be conditional on the fulfilment of the Minimum Transfer Condition, and
 - (b) if the total number of Sale Shares applied for under *articles* 16 7 or 16 8 is less than the number of Sale Shares, the Board shall notify the Seller and all those Shareholders to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect
- 16 10 Where either
- (a) the Transfer Notice does not contain a Minimum Transfer Condition, or

- (b) allocations have been made in respect of all the Sale Shares,

the Directors shall, when no further offers or allocations are required to be made under *articles 16 7 or 16 8*, 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 14 Business Days, but not more than 28 Business Days, after the date of the Allocation Notice)

16 11 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice

16 12 If the Seller fails to comply with *article 16 11*

- (a) the Chairman (or, failing him, any other Director or some other person nominated by a resolution of the Directors) may, as agent and attorney on behalf of the Seller)
- (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,
 - (ii) 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
 - (iii) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them, and
- (b) 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 Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company

16 13 Where an Allocation Notice does not relate to all the Sale Shares or the Transfer Notice lapses pursuant to *article 16 9(b)* then, subject to *article 16 14*, the Seller may, at any time during the 28 Business Days following the date of service of the Allocation Notice, transfer the Sale Shares (in the case of a lapsed offer) to any person at a price at least equal to the Transfer Price The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this *article 16 13* shall continue to be subject to any Minimum Transfer Condition

- 16 14 The Seller's right to transfer Shares under *article* 16 13 does not apply if the Directors reasonably consider that
- (a) the transferee is a person (or a nominee for a person) whom an Investor Majority determines to be a competitor (or a Member of the Same Group as a competitor) of the business of any Group Company,
 - (b) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee, or
 - (c) the Seller has failed or refused to promptly provide information available to him and reasonably requested to enable it to form the opinion referred to in *article* 16 14(b)

17. VALUATION

- 17 1 The Transfer Price for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Directors (any Director with whom the Seller is connected not voting) and the Seller or, in default of agreement within 7 Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of Directors first has actual knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share
- 17 2 The Fair Value shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions
- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served),
 - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
 - (c) that the Sale Shares are capable of being transferred without restriction,
 - (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent, and
 - (e) reflecting any other factors which the Independent Expert reasonably believes should be taken into account
- 17 3 If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit

- 17.4 The Directors will give the Independent Expert access to all accounting records or other relevant documents of the Group, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose
- 17.5 The parties are entitled to make submissions to the Independent Expert and shall provide (or procure that others provide) the Independent Expert with such assistance and documents as the Independent Expert may reasonably require for the purpose of reaching a decision
- 17.6 The Independent Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error)
- 17.7 The Independent Expert shall be requested to determine the Fair Value within 14 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Seller
- 17.8 The cost of obtaining the Independent Expert's certificate shall be borne by the parties equally or in such other proportions as the Independent Expert directs unless
- (a) the Seller withdraws the relevant Transfer Notice in accordance with *article 16.3*, or
 - (b) in respect of a Deemed Transfer Notice, the Fair Value is less than the price per Sale Share offered to the Seller by the Directors before the appointment of the Independent Expert,
- in which case the Seller shall bear the cost

18. COMPULSORY TRANSFERS

- 18.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer notice in respect of that Share at such time as the Directors may determine
- 18.2 If a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or suffers or takes any equivalent action in any jurisdiction outside England and Wales, that Shareholder shall be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the Directors may determine

18 3 If there is a change in control (as 'control' is defined in section 840 of the Income and Corporation Taxes Act 1988) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its name (or the name of its nominee(s)) save that, where that Shareholder acquired Shares as a Permitted Transferee of an Original Shareholder, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee of that Original Shareholder before being required to serve a Transfer Notice

19. MANDATORY OFFER ON CHANGE OF CONTROL

19 1 In the event that a proposed transfer of Shares (other than a transfer of Shares made pursuant to *article* 14, but after the operation of the pre-emption procedure set out in *article* 16), whether made as one or as a series of transactions (a **Proposed Transfer**) would, if completed, result in any person other than an existing Shareholder (the **Buyer**), together with any person acting in concert with the Buyer, acquiring a Controlling Interest, the remaining provisions of this *article* 19 shall apply

19 2 The Seller shall procure that, prior to the completion of the Proposed Transfer, the Buyer shall make an offer (the **Offer**) to each Shareholder on the date of the Offer, to buy all of the Shares held by such Shareholders on the date of the Offer for a consideration in cash per Share (the **Offer Price**) which is equal to the highest price per Share offered, paid or to be paid by the Buyer, or any person acting in concert with the Buyer, for any Shares in connection with the Proposed Transfer or any transaction in the 24 calendar months preceding the date of completion of the Proposed Transfer

19 3 The Offer shall be made by notice in writing (an **Offer Notice**) addressed to each Shareholder on the date of the Offer at least 20 Business Days (the **Offer Period**) before the date fixed for completion of the Proposed Transfer (the **Sale Date**) To the extent not described in any accompanying documents, the Offer Notice shall specify

- (a) the identity of the Buyer (and any person(s) acting in concert with the Buyer),
- (b) the Offer Price and any other terms and conditions of the Offer,
- (c) the Sale Date, and
- (d) the number of Shares which would be held by the Buyer (and persons acting in concert with the Buyer) on completion of the Proposed Transfer

19 4 The completion of the Proposed Transfer shall be conditional in all respects on

- (a) the making of an Offer in accordance with this *article* 19, and

(b) the completion of the transfer of any ~~Equity~~ Shares by any Shareholder (each an **Accepting Shareholder**) who accepts the Offer within the Offer Period,

and the Directors shall refuse to register any Proposed Transfer made in breach of this *article 19 4*

19 5 The Proposed Transfer is, but the purchase of Shares from Accepting Shareholders pursuant to an Offer made under this *article 19* shall not be, subject to the pre-emption provisions of *article 16*

20. DRAG ALONG

20 1 If an Investor Majority (the **Selling Shareholders**) wish to transfer all of their interest in Shares (**Sellers' Shares**) to a bona fide arm's-length purchaser (**Proposed Buyer**), the Selling Shareholders shall have the option (**Drag Along Option**) to require all the other holders of Shares on the date of the request (**Called Shareholders**) to sell and transfer all their interest in Shares with full title guarantee to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this *article 20*

20 2 The Selling Shareholders may exercise the Drag Along Option by giving notice in writing to that effect (a **Drag Along Notice**), at any time before the completion of the transfer of the Sellers' Shares, to the Proposed Buyer and each Called Shareholder A Drag Along Notice shall specify

- (a) that the Called Shareholders are required to transfer all their ~~Equity~~ Shares (**Called Shares**) pursuant to this *article 20*,
- (b) the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer),
- (c) the consideration payable for the Called Shares calculated in accordance with *article 20 4*,
- (d) the proposed date of completion of transfer of the Called Shares

20 3 Once given, a Drag Along Notice may not be revoked save with the prior consent of the Directors However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not completed the transfer of all the Sellers' Shares to the Proposed Buyer (or as the Proposed Buyer may direct) within 28 Business Days of serving the Drag Along Notice The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice

20 4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Buyer were distributed

to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of *article 10*

- 20 5 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this *article 20*
- 20 6 Completion of the sale and purchase of the Called Shares shall take place on the same date as, and conditional upon the completion of, the sale and purchase of the Sellers' Shares unless
- (a) all of the Called Shareholders and the Selling Shareholders otherwise agree, or
 - (b) that date is less than 15 Business Days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares shall take place 15 Business Days after the date of service of the Drag Along Notice
- 20 7 Within 28 Business Days of the Proposed Buyer serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Shares in favour of the Proposed Buyer (or as the Proposed Buyer may direct), together with the share certificate(s) in respect of those Shares (or a suitable indemnity in respect thereof) to the Company. On the expiration of that 15 Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due pursuant to *article 20 4* to the extent the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the amounts due pursuant to *article 20 4* shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to *article 20 4* in trust for the Called Shareholders without any obligation to pay interest.
- 20 8 To the extent that the Proposed Buyer has not, on the expiration of the 15 Business Day period, put the Company in funds to pay the amounts due pursuant to *article 20 4*, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this *article 20* in respect of their Shares.
- 20 9 If any Called Shareholder fails to deliver to the Company a duly executed stock transfer form (or forms) in respect of the Called Shares held by him (together with the share certificate(s) in respect of those Called Shares (or a suitable indemnity in respect thereof)) the defaulting Called Shareholder shall be deemed to have appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute and deliver all necessary transfers on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares. After the Proposed Buyer (or person(s) nominated by the Proposed Buyer)

has been registered as the holder of any such Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of any transfer of Shares under this *article 20*

- 20 10 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares, whether or not pursuant to a Share Option Scheme (a **New Shareholder**), a Drag Along Notice shall be deemed to have been served upon the New Shareholder, on the same terms as the previous Drag Along Notice, who shall then be bound to sell and transfer all such Shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this *article 20* shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such Shares shall take place forthwith upon the later of the Drag Along Notice being deemed served on the New Shareholder and the date of completion of the sale of the Called Shares
- 20 11 A transfer of Called Shares to a Proposed Buyer (or as the Proposed Buyer may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the pre-emption provisions of *article 16*
- 20 12 Any Transfer Notice or Deemed Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a Drag Along Notice shall automatically be revoked by the service of a Drag Along Notice

DECISION-MAKING BY SHAREHOLDERS

21. GENERAL MEETINGS

- 21 1 No business other than, subject to *article 21 1*, the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on
- 21 2 The Chairman shall chair general meetings. If there is no Chairman in office for the time being, or the Chairman is unable to attend any general meeting, the Directors present (or, if no Directors are present, the meeting) must appoint another Director present at the meeting (or, if no Directors are present, a Shareholder) to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting

22. VOTING

22 1 Subject to any other provisions in these Articles concerning voting rights, each Share in the Company shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company For the purposes of this Article, notice shall include email notice

22 2 Each vote shall be conducted on a poll with each share entitling the holder to cast one vote on any matter to be decided, thereby conferring voting rights proportionate to the size of their individual shareholding on each shareholder

22 3 Model article 45(1) shall be amended by

(a) the deletion of model article 45(1)(d) and its replacement with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate", and

(b) the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the Directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that model article

22 4 The Quorum for any general meeting of the company shall be 2

23. LIEN, CALLS ON SHARES AND FORFEITURE

23 1 The Company has a lien (the **Company's Lien**) over every Share which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future

23 2 **Enforcement of the Company's Lien**

(a) Subject to the provisions of this *article* 23 2, if

- (i) a Lien Enforcement Notice has been given in respect of a Share, and
- (ii) the person to whom the notice was given has failed to comply with it,

the Company may sell that Share in such manner as the Directors decide

(b) A Lien Enforcement Notice

- (i) may only be given in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
 - (ii) must specify the Share concerned,
 - (iii) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
 - (iv) must be addressed either to the holder of the Share or to a transmittee of that holder, and
 - (v) must state the Company's intention to sell the Share if the notice is not complied with
- (c) Where Shares are sold under this *article 23 2*
- (i) the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser, and
 - (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, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the Shares before the sale for any money payable by that person (or his estate or any joint holder of the Shares) after the date of the Lien Enforcement Notice
- (e) A statutory declaration by a Director that the declarant is a Director 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 the Articles or by law, constitutes a good title to the Share

23 3 Call notices

- (a) Subject to the Articles and the terms on which Shares are allotted, the Directors may send a notice (a **Call Notice**) to a Shareholder requiring the

Shareholder to pay the Company a specified sum of money (a **Call**) which is payable to the Company at the date when the Directors decide to send the Call Notice

- (b) A Call Notice
 - (i) may not require a Shareholder to pay a Call which exceeds the total amount of his indebtedness or liability to the Company,
 - (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 made in instalments
- (c) A Shareholder must comply with the requirements of a Call Notice, but no Shareholder is obliged to pay any Call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent
- (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 notice,by a further notice in writing to the Shareholder in respect of whose Shares the Call is made
- (e) A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share
 - (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

23.4 **Forfeiture**

- (a) If a person is liable to pay a Call and fails to do so by the Call payment date
 - (i) the Directors may issue a notice of intended forfeiture 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) A notice of intended forfeiture
 - (i) may be sent in respect of any Share in respect of which a Call has not been paid as required by a Call Notice,
 - (ii) must be sent to the holder of that Share (or all the joint holders of that Share) or to a transmittee of that holder,

- (iii) must require payment of the Call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
 - (iv) must state how the payment is to be made, and
 - (v) must state that if the notice is not complied with, the Shares in respect of which the Call is payable will be liable to be forfeited
- (c) At any time before the Company disposes of a forfeited Share, the Directors may decide to cancel the forfeiture on payment of all Calls, interest and expenses due in respect of it and on such other terms as they think fit

ADMINISTRATIVE ARRANGEMENTS

24. NOTICES

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

- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),
- (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address,
- (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and
- (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this *article* 24.1, no account shall be taken of any part of a day that is not a working day

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

25. INDEMNITY AND INSURANCE

25 1 Subject to *article 25 2*, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled

- (a) each Relevant Officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer in the actual or purported execution and/or discharge of his duties, or in relation thereto including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted, or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part, or in connection with any application in which the court grants him, in his capacity as a Relevant Officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or other Group Company's) affairs, and
- (b) the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in *article 25 1* and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure

25 2 This *article 25* does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

25 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

25 4 In this *article 25*

- (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 (or other Group Company) or any pension fund of the Company (or other Group Company), and
- (b) **Relevant Officer** means any director or other officer or former director or other officer of any Group Company, but excluding in each case any person engaged by a Group Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor

26. DATA PROTECTION

26 1 Each of the Shareholders and Directors (from time to time) consents to the processing of his personal data by the Company, its Shareholders and Directors (each a

Recipient) for the purposes of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually.

26.2 The personal data that may be processed for such purposes under this *article 26* shall include any information which may have a bearing on the prudence or commercial merits of investing in, or disposing of any Shares (or other investment or security) in, the Company. Save as required by law, court order or any regulatory authority, that personal data shall not be disclosed by a Recipient or any other person, except to

- (a) a Member of the Same Group as the Recipient (each a **Recipient Group Company**),
- (b) employees, directors and professional advisers of that Recipient or any Recipient Group Company, and
- (c) funds managed by any of the Recipient Group Companies

26.3 Each of the Shareholders and Directors consent (from time to time) to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient, both within and outside the European Economic Area, for the purposes stated above, where it is necessary or desirable to do so.