

Company number 09874882

THE COMPANIES ACT 2006

A PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

Of

AIRTICKETARENA LTD.

Adopted by Special Resolution passed on

..... **2017**

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1. INTERPRETATION

1.1 In these Articles:

"Act" means the Companies Act 2006 including any statutory modification, amendment or re-enactment thereof being in force from time to time, insofar as they apply to the Company;

"Articles" means these articles of association of the Company;

"Associate" means:

- (a) in relation to any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 (whether or not an associate as so determined) and a person shall be treated as a member of another company for the purposes of that section even if such person's shares in that other company are registered in the name of (a) another person (or such person's nominee), whether by way of security or in connection with the taking of security, or (b) such person's nominee; and
- (b) in relation to the Company, any Group Company.

"Auditors" means the auditors or accountants of the Company, from time to time;

"Board" means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles;

"Business Day" means a day which is not a Saturday or Sunday or a bank or public holiday in England and Wales;

"Business Plan" means any business plan adopted by the Company from time to time;

"Civil Partners" means in relation to a Shareholder, a civil partner (as defined in the Civil Partnerships Act 2004) of the Shareholder;

"Company" means AIRTICKETARENA LTD., a company incorporated in England and Wales with company number 09874882;

"Date of Adoption" means the date on which these Articles were adopted;

"Directors" means the directors of the Company from time to time;

"Electronic Communication" means any communication by electronic means or in electronic form;

"Excess Securities" shall have the meaning given in Article 3.3.3;

"Existing Shareholders" means the existing Shareholders from time to time;

"Expert Valuer" is as determined in accordance with Article 11.1;

"Exit Event" means (1) the sale of the entire issued share capital of the Company to a Proposed Purchaser, or (2) the effective admission to trading of all or any part of the share capital of the Company on any investment exchange or other marketing arrangement permitting dealing in shares or securities of the Company, (3) a change of control of the Company, (4) the sale of the business of the Company as a going concern to a Proposed Purchaser, or (5) the appointment of a liquidator of the Company;

"Fair Value" has the meaning ascribed to it in Article 11.3;

"Family Trusts" means, in relation to a Shareholder (the **"Settlor"**), trusts (whether arising under a settlement inter vivos or a testamentary disposition by whomsoever made or on intestacy) under which no immediate beneficial interest in the trust property is for the time being (or could in the future become) vested in any person other than the Settlor or any of his Privileged Relations and no power or control over the trust property is for the time being (or could in the future become) exercisable by or subject to the consent of any person other than the trustees of such trusts, acting in any capacity, or the Settlor or any of his Privileged Relations;

"Group" means the Company, its Parent Undertaking, its Subsidiary Undertakings and Subsidiary Undertakings of its Parent Undertaking (if any) from time to time and **"Group Company"** shall be construed accordingly;

"ICTA" means the Income and Corporation Taxes Act 1988;

"Minimum Transfer Condition" shall have the meaning given in Article 10.1.2.4;

"Model Articles" means the model articles for private companies limited by Shares contained in Schedule 1 of The Companies (Model Articles) Regulations 2008 (SI 2009/3229) as amended prior to the date of adoption of these Articles;

"New Securities" means any Shares, options, stocks, bonds, debentures, warrants or other securities convertible into, or carrying the right to subscribe for Shares in the Company, issued by the Company after the Date of Adoption;

"Office" means the registered office of the Company;

"Ordinary Shares" means ordinary shares of £0.0001 each in the share capital of the Company;

"Original Shareholder" shall have the meaning given in Article 9.1;

"Permitted Transfer" means a transfer of Shares in accordance with Article 9;

"Permitted Transferee" means in relation to a Shareholder who is an individual, any of his Privileged Relations or Trustees or their respective nominees (provided always that in the case of a nominee, the relevant Shareholder, Privileged Relation and/or Trustee (as applicable) retains the beneficial ownership of the relevant Shares)

"Privileged Relation" in relation to a Shareholder who is an individual Shareholder or deceased or former Shareholder means a spouse, Civil Partner, child or grandchild (including step or adopted or unknown child and their issue);

"Proposed Purchaser" means a proposed purchaser who at the relevant time has made an offer on arm's length terms;

"Proposed Seller" means any person proposing to transfer any shares in the capital of the Company;

"Sale Shares" has the meaning set out in Article 10.1.2.1;

"Seal" means the common Seal of the Company (if applicable);

"Secretary" means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;

"Seller" has the meaning set out in Article 10.1.2 of these Articles;

"Shares" means the Ordinary Shares and any other shares forming part of the share capital of the Company from time to time;

"Shareholder" means the registered holder of any Shares;

"Statutes" means the Act and every other act, statute, statutory instrument, regulations or order being in force from time to time concerning companies and affecting the Company;

"Subsidiary Undertaking" and **"Parent Undertaking"** shall have the meanings given to them in section 1162 of the Act and a company shall be treated as a member of another company for the purposes of section 1162 of the Act even if its shares in that other company are registered in the name of (a) another person (or its nominee), whether by way of security or in connection with the taking of security, or (b) its nominee;

"Transfer Notice" shall have the meaning given in Article 10.1.2;

"Transfer Price" shall have the meaning given in Article 10.1.2.3; and

"Trustees" in relation to a Shareholder means the trustee or the trustees of a Family Trust.

1.2 Unless the context otherwise requires, words importing the singular shall include the plural and vice versa and words importing any gender shall include all other genders. Words denoting persons shall include bodies corporate and unincorporated associations.

1.3 References to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment of it for the time being in force (whether coming into force before or after the Date of Adoption). Subject to this any words or expression defined in the Acts as applicable, shall (if not inconsistent with the subject or context) bear the same meanings in these Articles.

- 1.4 Headings are for convenience only and shall not affect the construction of these Articles.
- 1.5 In these Articles, unless the context otherwise requires, references to:
- 1.5.1 "**electronic form**" or "**electronic means**" has the meaning given to them in section 1168 of the Act;
- 1.5.2 "**clear days**" in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
- 1.5.3 "**control**" shall have the meaning given to such expression in sections 416 and 840 of ICTA and "**controlled**" shall be construed accordingly;
- 1.5.4 "**connected**" shall have the meaning given to such expression in section 839 of ICTA;
- 1.5.5 "**company**" shall include any company, corporation or other body corporate (whether limited or unlimited and wherever and howsoever incorporated or established);
- 1.5.6 "**executed**" includes any mode of execution; and
- 1.5.7 "**holder**" in relation to any Shares, means the Shareholder whose name is entered in the register of Shareholders as the holder of such Shares.
- 1.6 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles. Subject to any such modifications, exclusions or inconsistencies (in respect of which the provisions of these Articles shall prevail), the Model Articles shall together with these Articles constitute the Articles of Association of the Company to the exclusion of any other articles or regulations set out in any statute or statutory instrument or other subordinate legislation.

2. SHARE CAPITAL

- 2.1 The Company does not have an authorised share capital limit.
- 2.2 Except as required by law, no person shall be recognised by the Company as holding any Share upon any trust and (except as otherwise provided by the Articles or by law) the Company shall not be bound by or recognise any interest in any Share except an absolute right to the entirety thereof in the holder.
- 2.3 The liability of each of the Shareholders is limited to the amount, if any, unpaid on the Shares held by them.

3. ISSUE OF SHARES

- 3.1 Subject to section 550 of the Act and to these Articles, any New Securities shall be under the control of the Board and the Board may allot, grant options over or otherwise dispose of them to any persons generally on such terms and in such manner as it thinks fit.

- 3.2 Sections 561 and 562 of the Act shall not apply to an allotment of any New Securities in the Company if that allotment is otherwise in accordance with these Articles.
- 3.3 Except with the sanction of a shareholders' special resolution, if the Company proposes to allot any New Securities those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to all of the Existing Shareholders on the same terms and at the same price as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of Shares held by those Existing Shareholders (as nearly as may be without involving fractions). The offer:
- 3.3.1 shall be in writing (or by email), give details of the number and subscription price of the New Securities;
- 3.3.2 shall give the Existing Shareholders not less than 10 Business Days from the date of deemed receipt of notice of such offer to accept or reject the offer in writing to the Company, failing which such Shareholders shall be deemed to have rejected the offer; and
- 3.3.3 may stipulate that any Existing Shareholder who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities ("**Excess Securities**") for which they wish to subscribe.
- 3.4 Any New Securities not accepted by an Existing Shareholder pursuant to the offer made to them in accordance with Article 3.3 shall be used for satisfying any requests for Excess Securities made pursuant to Article 3.3.3 and in the event that there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants on a pro rata basis to the number of Shares held by the applicants immediately prior to the offer made to the Existing Shareholders in accordance with Article 3.3 (as nearly as may be without involving fractions or increasing the number allotted to any Shareholder beyond that applied for by him) and after that allotment, any Excess Securities remaining shall be offered to any other person as the Board may determine at the same price and on the same terms as the offer to the Shareholders.

4. **SHARE CERTIFICATES**

- 4.1 Every Shareholder, upon becoming the holder of any Shares, shall be entitled, without payment, to one certificate for all the Shares of each class held by him (and, upon transferring a part of his holding of Shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his Shares upon payment for every certificate after the first of such reasonable sum as the Board may determine. Every certificate shall be signed by a Director and countersigned by another Director, and, optionally where the Company has a Seal, sealed with the Seal pursuant to Article 31, and shall specify the number, class and distinguishing numbers (if any) of the Shares to which it relates and the amount or respective amounts paid up thereon. The Company shall not be bound to issue more than one certificate for Shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.

4.2 If a share certificate is defaced, worn out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company in investigating evidence as the Board may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

5. LIEN

5.1 The Company shall have a first and paramount lien on every Share (whether or not it is a fully paid Share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that Share. The Company shall also have a paramount lien on all Shares (whether fully paid or not) standing registered in the name of any person whether solely or as one of two or more joint holders for all moneys presently payable by him or his estate to the Company. The Company's lien on a Share shall extend to any amount payable in respect of it.

5.2 The Company may sell in such manner as the Board determine any Shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within 14 clear days after notice has been given to the holder of the Share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the Shares may be sold.

5.3 To give effect to a sale the Board may authorise some person to execute an instrument of transfer of the Shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the Shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

5.4 The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the Shares sold and subject to a like lien for any moneys not presently payable as existed upon the Shares before the sale) be paid to the person entitled to the Shares at the date of the sale.

6. CALLS ON SHARES AND FORFEITURE

6.1 Subject to the terms of allotment, the Board may make calls upon the Shareholder in respect of any moneys unpaid on their Shares (whether in respect of nominal value or premium) and each Shareholder shall (subject to receiving at least 14 clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his Shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the Shares in respect whereof the call was made.

6.2 A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.

6.3 The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.

- 6.4 If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the Share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Acts) but the Board may waive payment of the interest wholly or in part.
- 6.5 An amount payable in respect of a Share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the Articles shall apply as if that amount had become due and payable by virtue of a call.
- 6.6 Subject to the terms of allotment, the Board may make arrangements on the issue of New Securities for a difference between the holders in the amounts and times of payment of calls on their New Securities.
- 6.7 If a call remains unpaid after it has become due and payable the Board may give to the person from whom it is due not less than 14 clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the Shares in respect of which the call was made will be liable to be forfeited.
- 6.8 If the notice is not complied with any Share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the Board and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.
- 6.9 Subject to the provisions of the Acts, a forfeited Share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Board determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the Board think fit. Where for the purposes of its disposal a forfeited Share is to be transferred to any person, the Board may authorise some person to execute an instrument of transfer of the Share to that person.
- 6.10 A person any of whose Shares have been forfeited shall cease to be a Shareholder in respect of them and shall surrender to the Company for cancellation the certificate for the Shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those Shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Acts) from the date of forfeiture until payment but the Board may waive payment wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- 6.11 A statutory declaration by a Director or the Secretary that a Share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the Share and the person to whom the Share is

disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the Share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the Share.

7. VARIATION OF RIGHTS

Subject to the Statutes and with the sanction of a shareholders' special resolution, 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 more than 75 per cent. in nominal value of the issued Shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the Shares of that class save that the rights attaching to the Ordinary Shares may only be varied or abrogated with the sanction of a special resolution passed at a separate meeting of the holders of the Shares of that class.

8. TRANSFER OF SHARES

8.1 In Articles 8 to 12 inclusive, reference to the transfer of a Share includes the transfer or assignment 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.

8.2 If a Shareholder transfers or purports to transfer any Shares otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all such Shares relevant to the purported transfer.

8.3 Any transfer of a Share by way of sale which is required to be made under Articles 8 to 12 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee and that the Shares are unencumbered.

8.4 The Board may refuse to register a transfer if:

8.4.1 it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind;

8.4.2 save for a Permitted Transferee, to persons whom they shall not approve (such approval not to be unreasonably withheld and/or delayed); or

8.4.3 it is a transfer of a Share on which the Company has a lien.

8.5 The Board shall, except as part of an Exit Event, as a condition to the registration of any transfer of Shares in the Company (whether pursuant to a Permitted Transfer or otherwise), require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement or similar document in force between some or all of the Shareholders and the Company in any form as the Board 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) and if any condition is imposed in accordance with this Article 8.5 the transfer may not be registered unless that deed has been executed and delivered to the Office by the transferee.

8.6 To enable the Board to determine whether or not there has been any disposal of Shares in the capital of the Company (or any interest in Shares) in breach of

these Articles the Board may require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Board may reasonably believe to have information relevant to that purpose, to furnish to the Company information and evidence as the Board may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the Shares in the capital of the Company from time to time registered in the holder's name. If the information or evidence is not provided to enable the Board to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the Board are reasonably satisfied that a breach has occurred, the Board shall immediately notify the holder of such Shares in writing of that fact and the following shall occur:

- 8.6.1 the relevant Shares shall cease to confer upon the holder of them (or any proxy) any rights:
 - 8.6.1.1 to vote whether on a show of hands or on a poll and whether exercisable at a general meeting of the Company (or at any separate meeting of the class in question); or
 - 8.6.1.2 to receive dividends or other distributions otherwise attaching to those Shares or to any further Shares issued in respect of those Shares; and
- 8.6.2 the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Board may require by notice in writing to that holder.
- 8.7 The rights referred to in Article 8.6.1 above may be reinstated by the Board subject to the prior written consent of a shareholders' ordinary resolution and shall in any event be reinstated upon the completion of any transfer referred to in Article 8.6.2 above.
- 8.8 In any case where the Board may require a Transfer Notice to be given in respect of any Shares or a person becomes bound to give a Transfer Notice in respect of any Shares, if a Transfer Notice is not duly given within a period of 10 Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period. If a Transfer Notice is required to be given or is deemed to have been given under these Articles, the Transfer Notice will be treated as having specified that:
 - 8.8.1 the Transfer Price for the Sale Shares be as agreed between the Board (any Director with whom the Seller is connected and the Seller not voting), or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the Fair Value of the Sale Shares;
 - 8.8.2 it does not include a Minimum Transfer Condition; and
 - 8.8.3 the Seller wishes to transfer all of the Shares held by it.

9. PERMITTED TRANSFERS

- 9.1 A Shareholder (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise.
- 9.2 Where under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise. Shares previously transferred as permitted by this Article 9.2 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 9.3 Trustees may (i) transfer Shares to a company in which they hold the whole of the share capital and which they control (a "**Qualifying Company**") or (ii) transfer Shares to the Original Shareholder or to another Permitted Transferee of the Original Shareholder or (iii) transfer Shares to the new or remaining trustees upon a change of Trustees without restrictions as to price or otherwise.
- 9.4 If a company to which a Share has been transferred under Article 9.3, ceases to be a Qualifying Company it must within 5 Business Days of so ceasing, transfer the Shares held by it to the Trustees or to a Qualifying Company (any may do so without restriction as to price or otherwise) failing which it will be deemed to have given a Transfer Notice in respect of such Shares.
- 9.5 On the death (subject to Article 9.2), bankruptcy, liquidation, administrator or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within 20 Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within 20 Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, the personal representative or trustee in bankruptcy or liquidator will be deemed to have given a Transfer Notice.

10. PRE-EMPTION RIGHTS

10.1 Transfer of Shares Subject to Pre-Emption Rights

- 10.1.1 Save where the provisions of Article 9 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 10.
- 10.1.2 A Shareholder who wishes to transfer Shares (a "**Seller**") shall, except as otherwise provided in these Articles, before transferring or agreeing to transfer any Shares give notice in writing (a "**Transfer Notice**") to the Company specifying:

- 10.1.2.1 the number of Shares which he wishes to transfer (the "**Sale Shares**");
 - 10.1.2.2 if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee;
 - 10.1.2.3 the price (in cash) at which he wishes to transfer the Sale Shares (which will be deemed to be Fair Value of the Sale Shares if no cash price is agreed between the Seller and the Board) (the "**Transfer Price**"); and
 - 10.1.2.4 whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold to Shareholders (a "**Minimum Transfer Condition**").
- 10.1.3 Save with the sanction of a shareholders' special resolution, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn.
- 10.1.4 A Transfer Notice constitutes the Company the agent of the Seller for the Sale Shares at the Transfer Price.
- 10.1.5 As soon as practicable following the later of:
- 10.1.5.1 receipt of a Transfer Notice; and
 - 10.1.5.2 in the case where the Transfer Price has not been specified or the Transfer Notice is deemed to have been served, the determination of the Transfer Price under Article 11,

the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in Article 10.2. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

10.2 Transfers: First Offer

- 10.2.1 The Board shall offer the Sale Shares first to all existing Shareholders specified in the offer other than the Seller (the "**Continuing Shareholders**") inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (inclusive) (the "**First Offer Period**") for the maximum number of Sale Shares they wish to buy.
- 10.2.2 If the Sale Shares are subject to a Minimum Transfer Condition then any allocation made under Articles 10.2 and 10.3 will be conditional on the fulfilment of the Minimum Transfer Condition.
- 10.2.3 If, at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of Shares bears to the total number of Shares held by those Continuing Shareholders who have applied for Sale Shares but 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.

10.2.4 If not all Sale Shares are allocated in accordance with Article 10.2.3 but there are applications for Sale Shares that have not been satisfied those Sale Shares shall be allocated to the relevant applicant(s) in accordance with the procedure set out in Article 10.2.3.

10.2.5 If, at the end of the First Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications and the balance (the "**Initial Surplus Shares**") will be dealt with in accordance with Article 10.3.

10.3 Transfers: Second Offer

10.3.1 At the end of the First Offer Period, the Board shall offer the Initial Surplus Shares to all the Continuing Shareholders inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the date of the offer (inclusive) (the "**Second Offer Period**") for the maximum number of the Initial Surplus Shares they wish to buy.

10.3.2 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for exceeds the number of Initial Surplus Shares, the Board shall allocate the remaining Initial Surplus Shares to each Continuing Shareholder in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of Shares bears to the total number of Shares (including Sale Shares) held by those Continuing Shareholders who have applied during the Second Offer Period for Initial Surplus Shares but no allocation shall be made to a Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy.

10.3.3 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to the Continuing Shareholders in accordance with their applications and the balance (the "**Second Surplus Shares**") will be offered to any other person in accordance with Article 10.4.6.

10.4 Completion of Transfer of Sale Shares

10.4.1 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for is less than the number of Sale Shares the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under Articles 10.2 and 10.3 stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

10.4.2 If:

10.4.2.1 the Transfer Notice does not include a Minimum Transfer Condition;
and

10.4.2.2 allocations have been made in respect of all the Sale Shares,

10.4.2.3 the Board shall, when no further offers are required to be made under Articles 10.2 and 10.3, give written notice of allocation (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated (an "**Applicant**") specifying the number of Sale Shares allocated to each Applicant and the place

and time (being not less than 10 Business Days nor more than 20 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.

- 10.4.3 Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.
- 10.4.4 If the Seller fails to comply with the provisions of Article 10.4.3
- 10.4.4.1 the chairman of the Company or, failing him, one of the Directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:
- (a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (b) receive the Transfer Price and give a good discharge for it; and
 - (c) (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
- 10.4.5 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 to the Company his certificate or certificates for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate).
- 10.4.6 If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 10.4.7, the Seller may, within eight weeks after service of the Allocation Notice, transfer the Second Surplus Shares to any person at a price at least equal to the Transfer Price provided that the sale of the Second Surplus Shares shall continue to be subject to any Minimum Transfer Conditions.
- 10.4.7 The right of the Seller to transfer Shares under Article 10.4.6 does not apply if the Board is of the opinion on reasonable grounds that:
- 10.4.7.1 the transferee is a person (or a nominee for a person) who is a competitor with (or an Associate of a competitor with) the business of the Company or with a Subsidiary Undertaking of the Company;
 - 10.4.7.2 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
 - 10.4.7.3 the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above.

10.5 Waiver of Restrictions

The restrictions imposed by this Article may be waived in relation to any proposed transfer of Shares with the consent of Shareholders who, but for the waiver, would or might have been entitled to have such Shares offered to them in accordance with this Article.

11. VALUATION OF SHARES

11.1 If a Transfer Notice does not specify a Transfer Price or if a Transfer Notice is deemed to have been served then, upon service of the Transfer Notice or, in the case of the deemed service of a Transfer Notice, on the date on which the Board first has actual knowledge of the facts giving rise to such deemed service, the Board shall either:

11.1.1 appoint expert valuers in accordance with Article 11.2 (the "**Expert Valuers**") to certify the Fair Value of the Sale Shares;

11.1.2 or (if the Fair Value has been certified by Expert Valuers within the preceding 12 weeks) specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice.

11.2 The Expert Valuers will be an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice to be appointed by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party.

11.3 The "**Fair Value**" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:

11.3.1 valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;

11.3.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;

11.3.3 that the Sale Shares are capable of being transferred without restriction;

11.3.4 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

11.3.5 reflect any other factors which the Expert Valuers reasonably believe should be taken into account.

11.4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuers shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.

- 11.5 The Expert Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination.
- 11.6 The Expert Valuers shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 11.7 The Board will give the Expert Valuers access to all accounting records or other relevant documents of the Company subject to them agreeing such confidentiality provisions as the Board may reasonably impose.
- 11.8 The Expert Valuers shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller. Unless the Sale Shares are to be sold under a Transfer Notice, which is deemed to have been served, the Seller may by notice in writing to the Company within 5 Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.
- 11.9 The cost of obtaining the certificate shall be paid by the Company unless:
- 11.9.1 the Seller cancels the Company's authority to sell; or
- 11.9.2 the sale is pursuant to a Transfer Notice which is deemed to have been served, and the Sale Price certified by the Expert Valuers is less than the price (if any) offered by the Board to the Seller for the Sale Shares before the Expert Valuer was instructed,
- in which case the Seller shall bear the cost.

12. COMPULSORY TRANSFERS

- 12.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Board.
- 12.2 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Board may require the legal personal representatives of that deceased Shareholder either:
- 12.2.1 to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or
- 12.2.2 to show to the satisfaction of the Board that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.
- 12.3 If either requirement in this Article 12 shall not be fulfilled to the satisfaction of the Board a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that the Board may otherwise determine.
- 12.4 If a Shareholder which is a company or a Permitted Transferee of that Shareholder either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets, the relevant Shareholder or Permitted Transferee shall be deemed to have given

a Transfer Notice in respect of all the Shares held by the relevant Shareholder and/or such Permitted Transferee save to the extent that, and at a time, the Board may determine.

- 12.5 If there is a change in control of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Board 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 and their names and their respective nominees' names save that, in the case of the Permitted Transferee, 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 before being required to serve a Transfer Notice..

13. DRAG-ALONG/TAG-ALONG OPTION

13.1 Drag-along

Notwithstanding any other provision of these Articles, if the holders of at least 75% of the Shares (the "**Selling Shareholders**") wish to transfer all their interest in Shares (the "**Sellers' Shares**") to a Proposed Purchaser, the Selling Shareholders shall have the option (the "**Drag Along Option**") to require all the other holders of Shares (the "**Called Shareholders**") to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct in accordance with the provisions of this Article 13.1.

- 13.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") to the Called Shareholders at any time before the transfer of the Sellers' Shares to the Proposed Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") under this Article 13.2, the person to whom they are to be transferred, the consideration for which each of the Called Shares are to be transferred (which shall be an amount no less than the consideration offered by the Proposed Purchaser in respect of each of the Sellers' Shares).

- 13.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Proposed Purchaser within 40 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

- 13.4 No Drag Along Notice may require a Called Shareholder to agree to any terms except those specifically provided for in this Article, in particular, a Called Shareholder may stipulate the manner in which the consideration in respect of any Called Shares is to be paid to them.

- 13.5 Within 20 Business Days of the Proposed Purchaser 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 Purchaser or as the Proposed Purchaser shall direct, together with the relevant share certificate(s) (or a suitable indemnity in lieu thereof) to the Company. On the expiration of that 20 Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Purchaser, the amounts they are due pursuant to Article 13.2 to the extent the Proposed Purchaser has put the Company in the

requisite

funds. The Company's receipt for the price shall be a good discharge to the Purchaser. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 13.2 in trust for the Called Shareholders without any obligation to pay interest.

- 13.6 To the extent that the Proposed Purchaser has not, on the expiration of such 20 Business Day period, put the Company in funds to pay the price due pursuant to Article 13.2, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate (or suitable indemnity) for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 13 in respect of their Shares.
- 13.7 If a Called Shareholder fails to deliver stock transfer forms and share certificates (or suitable indemnity) for its Shares to the Company upon the expiration of that 20 Business Day period, the Board shall, if requested by the Proposed Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Proposed Purchaser (or its nominee(s)) to the extent the Proposed Purchaser has, at the expiration of that 20 Business Day period, put the Company in funds to pay the price for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or provide a suitable indemnity) to the Company. On surrender, he shall be entitled to the amount due to him under Article 13.2.
- 13.8 Any transfer of Shares to a Proposed Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 10.
- 13.9 On any person, following the issue of a Drag Along Notice, becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire Shares in the Company or pursuant to the conversion of any convertible security of the Company (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Proposed Purchaser or as the Proposed Purchaser may direct and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.
- 13.10 Tag-along**
- 13.11 If the Selling Shareholders propose to transfer more than 75% of the Shares (other than to a Permitted Transferee), the Selling Shareholders may not transfer those Shares unless they have procured that the Proposed Purchaser has made an offer in writing to each other Shareholder to acquire all of their Shares on the same terms and conditions (the "**Tag-Along Notice**").
- 13.12 A Tag-Along Notice and any subsequent transfer of Shares thereunder shall be subject *mutatis mutandis* to the provisions of Articles 13.4 to 13.9 (inclusive).

14. PURCHASE OF OWN SHARES

Subject to the provisions of the Act and where authorised by shareholders' ordinary resolution, the Company may purchase its own Shares (including any redeemable shares) and, for so long as it is a private company, make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

15. GENERAL MEETINGS

The Board may call general meetings and, on the requisition of Shareholders pursuant to the provisions of the Act, shall forthwith proceed to convene a general meeting in accordance with the provisions of the Act.

16. NOTICE OF GENERAL MEETINGS

16.1 General meetings shall be called by at least 14 clear days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the Shareholders having a right to attend and vote being a majority together holding not less than 90% in nominal value of the Shares giving that right.

16.2 The notice shall specify the time and place of the meeting and the general nature of the business to be transacted. If any resolution is to be proposed as a special resolution, the notice shall contain a statement to that effect.

16.3 Subject to the provisions of the Articles and to any restrictions imposed on any Shares, the notice shall be given to all the Shareholders, to all persons entitled to a Share in consequence of the death or bankruptcy of a Shareholder and Directors.

16.4 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

16.5 Where the Company has given an electronic address in any notice of a general meeting, any document or information relating to proceedings at the meeting may be sent by electronic means to that address, subject to any conditions or limitations specified in the relevant notice of meeting.

17. PROCEEDINGS AT GENERAL MEETINGS

17.1 No business shall be transacted at any meeting unless a quorum is present. Subject to these Articles, the quorum at any general meeting shall be two or more Shareholders present in person or by proxy.

17.2 If such a quorum is not present at a general meeting within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Board may determine.

17.3 If at any adjournment meeting a quorum is not present within 30 minutes from the time appointed for the meeting the Shareholder or Shareholders present in person or by proxy or (being a corporation) by a duly authorised representative shall form a quorum.

- 17.4 The chairman, if any, of the Board or in his absence some other Director nominated by the Board shall preside as chairman of the meeting, but if neither the chairman nor such other Director (if any) be present within 30 minutes after the time appointed for holding the meeting and willing to act, the Board present shall elect one of their number to be chairman and, if there is only one Director present and willing to act, he shall be chairman.
- 17.5 If no Director is willing to act as chairman, or if no Director is present within 30 minutes after the time appointed for holding the meeting, the Shareholders present and entitled to vote shall choose one of their number to be chairman.
- 17.6 A Director shall, notwithstanding that he is not a Shareholder, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of Shares.
- 17.7 The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
- 17.8 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:
- 17.8.1 by the chairman;
- 17.8.2 by at least two Shareholders having the right to vote at the meeting; or
- 17.8.3 by a Shareholder or Shareholders representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
- 17.8.4 by a Shareholder or Shareholders holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right;
- and a demand by a person as proxy for a Shareholder shall be the same as a demand by the Shareholders.
- 17.9 Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 17.10 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

- 17.11 A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be Shareholders) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 17.12 In the case of an equality of votes, whether on a show of hands or on a poll, no person, whether the chairman or any Shareholder, shall be entitled to a casting vote.
- 17.13 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than 30 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 17.14 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

18. VOTES OF SHAREHOLDERS

- 18.1 At a general meeting, but subject to any rights or restrictions attached to any Shares, on a show of hands every Shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote, and on a poll every Shareholder who (being an individual) is present in person or by proxy or (being a Corporation) is present by a duly authorised representative or by proxy shall have one vote for every Share of which he is the holder provided that if at any meeting any Shareholder is not present in person or by proxy the votes exercisable on a poll in respect of the Shares of the same class held by Shareholders present in person or by proxy shall be pro tanto increased (fractions of a vote by any Shareholder being permitted) so that such Shares shall together entitle such Shareholder to the same aggregate number of votes as could be cast in respect of all the Shares of that class if all the holders thereof were present.
- 18.2 In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and seniority shall be determined by the order in which the names of the holders stand in the register of Shareholders.
- 18.3 A Shareholder in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be deposited at the Office, or at such other place as is specified in accordance with the Articles for the deposit

of instruments of proxy, before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.

- 18.4 No Shareholder shall vote at any general meeting or at any separate meeting of the holders of any class of Shares, either in person or by proxy, in respect of any Share held by him unless all moneys presently payable by him in respect of that Share have been paid.
- 18.5 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting, at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
- 18.6 On a poll votes may be given either personally or by proxy. A Shareholder may appoint only one proxy to attend on each single occasion.
- 18.7 The appointment of a proxy shall be executed by or on behalf of the appointor and shall be in such form as the Board may approve.
- 18.8 The appointment of a proxy and any authority under which it is executed or a copy of such authority certified naturally or in some other way approved by the Board may:
 - 18.8.1 in the case of an instrument in writing be deposited at the Office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
 - 18.8.2 in the case of an appointment contained in an Electronic Communication, where an address has been specified for the purpose of receiving Electronic Communications:
 - 18.8.2.1 in the notice convening the meeting; or
 - 18.8.2.2 in any instrument of proxy sent out by the Company in relation to the meeting; or
 - 18.8.2.3 in any invitation contained in an Electronic Communication to appoint a proxy issued by the Company in relation to the meeting;be received at such address before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;
- 18.9 An appointment of proxy which is not deposited, delivered or received in a manner permitted by Article 18.8 shall be invalid.
- 18.10 Where the Company has given an electronic address in any instrument of proxy or invitation to appoint a proxy, any document or information relating to proxies for the meeting (including any document to show the validity of, or otherwise relating to, the appointment of a proxy, or notice of the termination of the

authority of a proxy) may be sent by electronic means to that address, subject to any conditions or limitations specified in the relevant notice of meeting.

- 18.11 A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the Office or at such other place at which the instrument of proxy was duly deposited or, where the appointment of the proxy was contained in an Electronic Communication, at the address at which such appointment was duly received before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

19. NUMBER OF DIRECTORS

The maximum number of Directors shall be five and the minimum number of Directors shall be one.

20. ALTERNATE DIRECTORS

- 20.1 Any Director (other than an alternate director) may appoint any other Director or any other person provided written notice of the appointment of such alternate is given to the other Directors.

- 20.2 An alternate director shall be entitled to receive notice of all meetings of the Board and of all meetings of committees of the Board of which his appointor is the Board, to attend and vote at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in his absence but shall not be entitled to receive any remuneration from the Company for his services as an alternate director.

- 20.3 An alternate director shall cease to be an alternate director if his appointor ceases to be a Director.

- 20.4 Any appointment or removal of an alternate director shall be by notice to the Company signed by the Director making or revoking the appointment or in any other manner approved by the Board.

- 20.5 Save as otherwise provided in the Articles, an alternate director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him.

21. DELEGATION OF DIRECTORS' POWERS

Save for any matter requiring the sanction of a shareholders' ordinary or special resolution (and in respect of such matters only with such consent), the Board may delegate any of their powers to any committee consisting of one or more Directors. They may also delegate to any managing director or any Director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the Board may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any

such conditions, the proceedings of a committee with two or more Shareholders shall be governed by the Articles regulating the proceedings of the Board so far as they are capable of applying.

22. APPOINTMENT AND RETIREMENT OF DIRECTORS

22.1 Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed as a Director either by:

22.1.1 a shareholders' special resolution, or

22.1.2 a decision of the Directors.

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

22.3 For the purposes of Article 22.2, 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.

23. DISQUALIFICATION AND REMOVAL OF DIRECTORS

23.1 The office of a Director shall be vacated if:

23.1.1 he ceases to be a Director by virtue of any provision of the Acts or he becomes prohibited by law from being a Director; or

23.1.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or

23.1.3 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; or

23.1.4 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or

23.1.5 he resigns his office by notice to the Company; or

23.1.6 he shall for more than six consecutive months have been absent without permission of the Board from meetings of the Board held during that period and the Board resolve that his office be vacated.

24. REMUNERATION OF DIRECTORS

The Board shall be entitled to such remuneration as the Company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.

25. DIRECTORS' EXPENSES

The Board may be paid reasonable travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of the Board or committees of the Board or 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 discharge of their duties.

26. DIRECTORS' INTERESTS

26.1 Subject to the provisions of the Act, and provided that he has disclosed to the Board the nature and extent of any material interest of his in accordance with sections 177 and 182 of the Act, a Director notwithstanding his office:

26.1.1 shall be counted as participating for voting and quorum purposes in any decision (whether of the Board or the shareholders) in connection with any proposed or existing transaction or arrangement in which he is in any way directly or indirectly interested;

26.1.2 may be a party to, or otherwise interested in, any existing or proposed transaction or arrangement with the Company or in which the Company is otherwise interested;

26.1.3 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 promoted by the Company or in which the Company is otherwise interested;

26.1.4 may be or continue to be a shareholder, 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 that is not directly competing with the business of the Company; and

26.1.5 shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

27. DIRECTORS' GRATUITIES AND PENSIONS

The Board may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any Director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a Subsidiary Undertaking of the Company or a predecessor in business of the Company or of any such Subsidiary Undertaking, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

28. PROCEEDINGS OF DIRECTORS

28.1 Meetings of the Directors or a committee of the Directors may be held by telephone, video-conference or similar communication whereby all persons participating in the meeting can hear each other and any Director or member of

a committee participating in a meeting in this manner shall be deemed to be present in person at such meeting.

- 28.2 The quorum for any meeting of the Board is any two Directors. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or at such time and place as determined by the Directors present at such meeting. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed.
- 28.3 Notwithstanding Article 28.2, whensoever only one Director is appointed, such sole Director shall have authority to exercise all the powers and discretions vested in the Board generally by these Articles and the quorum shall be reduced accordingly. In such circumstances, a person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
- 28.4 The Board may appoint one of their number to be the chairman of the Board and may at any time remove him from that Office. Unless he is unwilling to do so, the Director so appointed shall preside at every meeting of the Board at which he is present. But if there is no Director holding that office, or if the Director holding it is unwilling to preside or is not present within 15 minutes after the time appointed for the meeting, the Directors present may appoint one of their number to be chairman of the meeting.
- 28.5 In the case of an equality of votes, the chairman of the Board shall have a casting vote.
- 28.6 All acts done by a meeting of the Board, or of a committee of the Board, or by a person acting as a Director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.
- 28.7 A resolution in writing signed by all the Directors entitled to receive notice of a meeting of the Board or of a committee of the Board shall be as valid and effectual as if it had been passed at a meeting of the Board or (as the case may be) a committee of the Board duly convened and held and may consist of several documents in the like form, each signed by one or more Directors; but a resolution signed by an alternate director need not also be signed by his appointor and if it is signed by a Director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.
- 28.8 Subject to compliance with Article 26, a Director may vote as a Director on any resolution concerning any contract or arrangement in which he is interested or upon any matter arising thereout, and if he shall so vote his vote shall be counted and he shall be reckoned in estimating a quorum when any such contract or arrangement is under consideration.

29. SECRETARY

The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may be removed by them. Nothing contained in these Articles shall

require the Company to have a Secretary and where such office is vacant, any Director shall be authorised to perform and carry out any matters allocated to such office pursuant to these Articles.

30. MINUTES

30.1 The Board shall cause minutes to be made in books provided for the purpose:

30.1.1 of all appointments of officers made by the Board; and

30.1.2 of all proceedings at meetings of the Company, of the holders of any class of Shares, and of the Board, and of committees of the Board, including the names of the Directors present at each such meeting.

31. THE SEAL

If the Company has a Seal it shall only be used with the authority of the Board or of a committee authorised by the Board. The Board may determine who shall sign any instrument to which the Seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or by a second Director.

32. DIVIDENDS

32.1 Subject to the provisions of the Act and where authorised by shareholders' ordinary resolution, the Board may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the Board may, where authorised by shareholders' ordinary resolution, pay interim dividends on Shares which confer deferred or non-preferred rights with regard to dividend as well as on Shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears. The Board may, where authorised by shareholders' ordinary resolution, also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the Board act in good faith they shall not incur any liability to the holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non preferred rights.

32.2 Except as otherwise provided by the rights attached to Shares, all dividends shall be declared and paid according to the amounts paid up on the Shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid; but, if any Share is issued on terms providing that it shall rank for dividend as from a particular date, that Share shall rank for dividend accordingly.

32.3 A general meeting declaring a dividend may, upon the recommendation of the Board (subject to approval by shareholders' ordinary resolution), direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the Board may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any Shareholder upon

the footing of the value so fixed in order to adjust the rights of Shareholders and may vest any assets in trustees.

- 32.4 Any dividend or other moneys payable in respect of a Share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the Share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of Shareholders or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the Company. Any joint holder or other person jointly entitled to a Share as aforesaid may give receipts for any dividend or other moneys payable in respect of the Share.
- 32.5 No dividend or other moneys payable in respect of a Share shall bear interest against the Company unless otherwise provided by the rights attached to the Share.
- 32.6 Any dividend which has remained unclaimed for 12 years from the date when it became due for payment, shall if the Board so resolve, be forfeited and cease to remain owing by the Company.

33. CAPITALISATION OF PROFITS

- 33.1 The Board may, with the sanction of an ordinary resolution of the Company, capitalise any sum standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve) or any sum standing to the credit of profit and loss account by appropriating such sum to the holders of Shares in the proportions in which such sum would have been divisible amongst them had the same been a distribution of profits by way of dividend and to apply the amounts (if any) for the time being unpaid as any Shares held by them, or in paying up such sum which would have been distributable amongst them in paying up in full unissued Shares for allotment and distribution credited as fully paid up to and amongst them.
- 33.2 The Board may do all acts and things considered necessary or expedient to give effect to any such capitalization, with full power to the Board to make such provisions as they think fit for the case of Shares becoming distributable in fractions (including provisions whereby the benefit of fractional entitlements accrues to the Company rather than to the Shareholders concerned). The Board may authorise any person to enter on behalf of all the Shareholders interested into an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

34. NOTICE

- 34.1 In this Article, "**address**", in relation to Electronic Communications, includes any number or address used for the purposes of such communication.
- 34.2 Any notice document or information may be given, served on, sent or delivered to any Shareholder either:

- 34.2.1 personally;
- 34.2.2 by sending it by post in a prepaid envelope addressed to the Shareholder at his registered address, or by leaving it at that address;
- 34.2.3 by using electronic means or giving it in electronic form to a person who has agreed (generally or specifically) that the notice, document or information may be given, served on or sent or delivered in that form (and has not revoked that agreement); or
- 34.2.4 subject to the provisions of the Act, by making it available on a website provided that the requirements in Articles 34.2 and 34.3 are satisfied.
- 34.3 Any notice, document or information may be given, served on, sent or delivered by the Company to any Shareholder by making it available on a website provided that:
- 34.3.1 the Shareholder has agreed (generally or specifically) that the notice, document or information may be given, served on, sent or delivered to him by being made available on a website (and has not revoked that agreement), or the Shareholder has been asked by the Company to agree that the Company may give, serve, send or deliver notices, documents and information generally, or the notice, document or information in question, to him by making it available on a website and the Company has not received a response within the period of 28 days beginning on the date on which the Company's request was sent and the member is therefore taken to have so agreed (and has not revoked that agreement);
- 34.3.2 the Shareholder is sent a written notification in accordance with the Act of the presence of the document or information on a website, the address of that website, the place on the website where the document or information may be accessed and how to access the document or information. Such notification will be made by post unless the recipient has agreed to receive the notification by electronic means and has supplied the Company with an appropriate address.
- 34.4 Where the document posted on the website of the Company is a notice of a meeting of the Company, the notification must state that the document concerns a notice of a company meeting, and specify the place, date and time of the meeting.
- 34.5 In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of Shareholders in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders.
- 34.6 Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of Shareholders, has been duly given to a person from whom he derives his title.
- 34.7 Any notice, document or information given, sent, supplied or delivered by the Company to the Shareholders of any of them:-
- 34.7.1 by post shall be deemed to have been given, sent, supplied or delivered 48 hours after posting and, in proving such service or delivery, it shall be sufficient to prove that the notice or document was properly addressed, stamped and put in the post;

- 34.7.2 by leaving it at a registered address otherwise than by post shall be deemed to have been given, sent, supplied or delivered 48 hours after having been left;
- 34.7.3 by electronic means shall be deemed to have been received 48 hours after it was sent;
- 34.7.4 by making it available on a website shall be deemed to have been delivered when it was first made available on the website if the Shareholder was notified in advance of the availability on the website, or if later, when the Shareholder received notice of the fact that the material was available on the website.
- 34.8 In calculating a period of time for the purposes of delivery, no account shall be taken of any part of a day that is not a working day.
- 34.9 A Shareholder present, either in person or by proxy, at any meeting of the Company or of the holders of any class of Shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 34.10 A notice may be given by the Company to the persons entitled to a Share in consequence of the death or bankruptcy of a Shareholder by sending or delivering it, in any manner authorised by the Articles for the giving of notice to a Shareholder, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankruptcy or by any like description at the address supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

35. WINDING-UP

If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Acts, divide among the Shareholders in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the Shareholders or different classes of Shares. The liquidator may, with the like sanction, vest the whole or any part of the assets in Trustees upon such trusts for the benefit of the Shareholders as he with the like sanction determines, but no Shareholder shall be compelled to accept any assets upon which there is a liability.

36. INDEMNITY

Subject to the provisions of, and so far as may be permitted by and consistent with, the Statutes and subject as mentioned below, every person who is or was a Director or other officer of the Company (other than any person (whether or not an officer of the Company) engaged by the Company as Auditor) shall be indemnified by the Company out of its own funds against (a) any liability incurred by or attaching to him in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company other than (i) any liability to the Company or any associated company (as defined in Section 256 of the Act) and (ii) any liability of the kind referred to in Section 234(3) and (6) of the Act; and (b) any other liability incurred by or attaching to him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office. Such indemnity shall not, however, extend to

any liability incurred by or attaching to such person as a result of his own fraud or wilful deceit. Where a person is indemnified against any liability in accordance with this Article 36, such indemnity shall extend to all costs, charges, losses, expenses and liabilities incurred by him in relation thereto.

37. SIGNATURE OF DOCUMENTS

Where these Articles require a document to be signed by a Shareholder or other person then, if that document is in the form of an Electronic Communication, to be valid it must incorporate the electronic signature or personal identification details (which may be details previously allocated by the Company) of that Shareholder or other person, in such form as the Board may approve, or be accompanied by such other evidence as the Board may require to satisfy themselves that the document is genuine. The Company may designate mechanisms for validating any such document, and any such document not so validated shall be deemed not to have been received by the Company.

38. ELECTRONIC COMMUNICATION

38.1 A Shareholder may notify the Company of an address for the purpose of his receiving Electronic Communications from the Company. If a Shareholder does so, he shall be deemed to have agreed to receive from the Company notices and other documents of the kind to which the address relates by Electronic Communication.

38.2 Any amendment or revocation of a notification given to the Company under Article 38.1 shall only take effect if in writing, signed by the Shareholder and on actual receipt by the Company of it.

38.3 An Electronic Communication shall not be treated as received by the Company if it is rejected by computer virus protection arrangements.

39. INSURANCE

39.1 To the extent permitted by the Act, the Directors may exercise all the powers of the Company to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

39.2 In this article:

39.2.1 a "**relevant officer**" means any director, alternate director, secretary or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act) , but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor);

39.2.2 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

39.2.3 companies are associated if one is a Subsidiary Undertaking of the other or both are subsidiaries of the same body corporate.