

Company No. 02767482

The Companies Act 2006

---

Company limited by shares

---

Written resolution

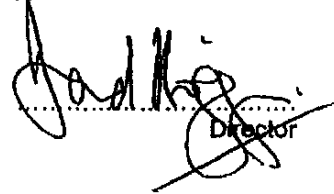
of

Ptarmigan Media Limited

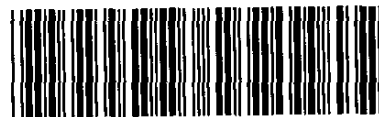
Pursuant to a written resolution of the company duly circulated on 28 JANUARY 2020 the following resolution was passed on 31 JANUARY 2020 as a special resolution of the company:

**Special Resolution:**

That the draft articles of association attached to this resolution be and they are adopted by the Company in substitution for, and to the exclusion of, its existing articles of association.

  
Director

WEDNESDAY



\*A8ZMG79K\*

A06

26/02/2020

#226

COMPANIES HOUSE

**PRIVATE COMPANY LIMITED BY SHARES**  
**COMPANY NUMBER: 02767482**

---

# **ARTICLES OF ASSOCIATION**

**PTARMIGAN MEDIA LIMITED**

**PRIVATE COMPANY LIMITED BY SHARES**  
**COMPANY NUMBER: 02767482**

**ARTICLES OF ASSOCIATION**  
**OF**  
**PTARMIGAN MEDIA LIMITED**  
**("Company")**

(Adopted by written special resolution passed on 31 JANUARY 2020)

**INTRODUCTION**

**1 INTERPRETATION**

**1.1** In these Articles, unless the context otherwise requires

<b>A Shareholder</b>	the persons entered in the register of members of the Company as the holders for the time being of the A Shares and <b>A Shareholder</b> means any of them,
<b>A Shareholder Consent</b>	the unanimous consent in writing of all of the A Shareholders,
<b>A Shares</b>	means the ordinary shares of £1.00 in the issued capital of the Company from time to time and designated as A shares,
<b>Act</b>	means the Companies Act 2006,
<b>appointor</b>	has the meaning given in article 10.1,
<b>Articles</b>	means the Company's articles of association for the time being in force,
<b>B Shareholder</b>	the persons entered in the register of members of the Company as the holders for the time being of the B Shares and <b>B Shareholder</b> means any of them,
<b>B Shares</b>	means the ordinary shares of £1.00 in the issued capital of the Company from time to time and designated as B shares,
<b>Bad Leaver</b>	means a Leaver who is not a Good Leaver or a Dead Leaver,
<b>business day</b>	means 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,
<b>Conflict</b>	has the meaning given in article 7 1,
<b>Dead Leaver</b>	means a Leaver who dies,
<b>E Shareholder</b>	the persons entered in the register of members of the Company as the holders for the time being of the E Shares and <b>E Shareholder</b> means any of them,
<b>E Shares</b>	means the ordinary shares of £1 00 in the issued capital of the Company from time to time and designated as E shares,
<b>EBT</b>	means the employee benefit trust to be established by the Company to incentivise certain employees of the Company,
<b>eligible director</b>	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),
<b>Fair Value</b>	[such price as the Compulsory Transferor or Seller (as the case may be) and the Company shall agree within ten business days of the date of the Compulsory Transfer Notice or Transfer Notice (as the case may be) or, failing such agreement, ]such price as the Valuers shall determine pursuant to article 22 11,
<b>Good Leaver</b>	means a Leaver who <ul style="list-style-type: none"> <li>(a) retires at normal retirement age, or</li> <li>(b) suffers a physical or mental deterioration which, in the opinion of the directors, is sufficiently serious to prevent the relevant person from following his normal employment or which seriously prejudices his earning capacity, or</li> <li>(c) [is made redundant by a Group Company], or</li> <li>(d) the directors determine should be regarded as a Good Leaver,</li> </ul>
<b>Leaver</b>	has the meaning given in article 22 1,
<b>Leaving Date</b>	means in relation to a Leaver <ul style="list-style-type: none"> <li>(a) where the employment contract ceases and where a payment is made in lieu of notice, the date on which that payment is made,</li> <li>(b) in circumstances where (a) does not apply, where the employment contract ceases by virtue of notice given by the Leaver or by the relevant Group Company, the date on which such notice expires, whether or not the Leaver is placed on garden leave,</li> <li>(c) if the Leaver dies, the date of his death,</li> <li>(d) in any other circumstances, the date on which the Leaver ceases to be employed or engaged by (or appointed as a director to) a Group Company or in the case of a Good Leaver, the date on which</li> </ul>

the directors otherwise determine to be the Leaving Date,

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

**Priority Rights** means

(a) the rights of Shareholders to purchase Transfer Shares contained in a Compulsory Transfer Notice in the priority stipulated in articles 22 4, 22 5 or 22 6 (as the case may be), or

(b) the rights of Shareholders to purchase Sale Shares contained in a Transfer Notice in the priority stipulated in article 20 7,

**Remaining Shareholders** any Shareholders who have not already been offered the relevant Sale Shares or Transfer Shares (as the case may be),

**Seller** has the meaning given in article 20 3,

**Shareholders** the A Shareholders, B Shareholders and E Shareholders from time to time, and **Shareholder** means any of them,

**Valuers** the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the Compulsory Transferor or Seller (as the case may be) and the Company or, in the absence of agreement between them within 15 Business Days after the service of the Compulsory Transfer Notice or Transfer Notice (as the case may be), an independent firm of accountants appointed, 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)

1 2 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

1 3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles

1 4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise

1 5 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

1 5 1 any subordinate legislation from time to time made under it, and

1 5 2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts

- 1 6 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms
- 1 7 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles
- 1 8 Model Articles 8, 9(1) and (3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 21, 44(2), 52 and 53 shall not apply to the Company
- 1 9 Model Article 7 (*Directors to take decisions collectively*) shall be amended by
- 1 9 1 the insertion of the words "*for the time being*" at the end of article 7(2)(a), and
- 1 9 2 the insertion in article 7(2) of the words "*(for so long as he remains the sole director)*" after the words "*and the director may*"
- 1 10 Model Article 20 (*Directors' expenses*) shall be amended by the insertion of the words "*(including alternate directors) and the secretary*" before the words "*properly incur*"
- 1 11 Model Article 29 (*Transmittees bound by prior notice*) 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 Model Article 28(2)," after the words "*the transmittee's name*"

## **DIRECTORS**

### **2 UNANIMOUS DECISIONS**

- 2 1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter
- 2 2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing
- 2 3 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting
- 2 4 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

### **3 CALLING A DIRECTORS' MEETING**

- 3 1 Any director may call a directors' meeting by giving not less than 5 business days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice
- 3 2 Notice of a directors' meeting shall be given to each director in writing at any address supplied by him to the Company

### **4 QUORUM FOR DIRECTORS' MEETINGS**

- 4 1 Subject to article 4 2, the quorum for the transaction of business at a meeting of directors is any two eligible directors

4 2 For the purposes of any meeting (or part of a meeting) held pursuant to article 7 to authorise a director's conflict, 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 3 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision

4 3 1 to appoint further directors, or

4 3 2 to call a general meeting so as to enable the Shareholders to appoint further directors

## **5 CASTING VOTE**

5 1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting has a casting vote

5 2 Article 5 1 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, the chairman or other director is not an eligible director for the purposes of that meeting (or part of a 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 Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company

6 1 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,

6 2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested,

6 3 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 contract or proposed contract in which he is interested,

6 4 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,

6 5 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

6 6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, 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 OF INTEREST**

**7 1** The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**)

**7 2** Any authorisation under this article 7 will be effective only if

**7 2 1** to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine,

**7 2 2** any requirement as to the quorum for consideration of the relevant matter is met without counting the **Interested Director**, and

**7 2 3** 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

**7 3** Any authorisation of a **Conflict** under this article 7 may (whether at the time of giving the authorisation or subsequently)

**7 3 1** extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,

**7 3 2** 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**,

**7 3 3** provide that the **Interested Director** shall or shall not be an eligible director in respect of any future decision of the directors vote in relation to any resolution related to the **Conflict**,

**7 3 4** impose upon the **Interested Director** such other terms for the purposes of dealing with the **Conflict** as the directors think fit,

**7 3 5** 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

**7 3 6** 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

**7 4** Where the directors authorise a **Conflict**, the **Interested Director** will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the **Conflict**



- 7 5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation
- 7 6 In authorising a Conflict the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to
- 7 6 1 disclose such information to the directors or to any director or other officer or employee of the Company, or
- 7 6 2 use or apply any such information in performing his duties as a director,
- where to do so would amount to a breach of that confidence
- 7 7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

## **8 TERMINATION OF DIRECTOR'S APPOINTMENT**

- 8 1 Model Article 18 shall be amended by the deletion of the Model Articles 18(d) and 18(e)
- 8 2 In addition to the events terminating a director's appointment set out in Model Articles 18(a) to (c) inclusive and 18(f), a person ceases to be a director
- 8 2 1 If he shall for more than 6 consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated,
- 8 2 2 as soon as that person is, or may be suffering from, mental disorder and either (i) he is admitted to hospital in pursuance of an application for admission to treatment under mental health legislation for the time being in force in any part of the United Kingdom, or (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or which wholly or partly prevents that person from personally exercising any powers or rights which that person otherwise would have

## **9 NUMBER OF DIRECTORS**

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than two

## **10 APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

- 10 1 Any director (appointor) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to

10 1 1 exercise that director's powers, and

10 1 2 carry out that director's responsibilities,

in relation to the taking of decisions by the directors, in the absence of the alternate's appointor

10 2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors

10 3 The notice must

10 3 1 identify the proposed alternate, and

10 3 2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice

## **11 RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

11 1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor

11 2 Except as the Articles specify otherwise, alternate directors

11 2 1 are deemed for all purposes to be directors,

11 2 2 are liable for their own acts and omissions,

11 2 3 are subject to the same restrictions as their appointors, and

11 2 4 are not deemed to be agents of or for their appointors

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member

11 3 A person who is an alternate director but not a director

11 3 1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),

11 3 2 may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate), and

11 3 3 shall not be counted as more than one director for the purposes of articles 11 3 1 and 11 3 2

11 4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present

11 5 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be entitled to receive any remuneration from the

Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company

## **12 TERMINATION OF ALTERNATE DIRECTORSHIP**

*An alternate director's appointment as an alternate terminates*

**12 1** when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,

**12 2** on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director,

**12 3** on the death of the alternate's appointor, or

**12 4** when the alternate's appointor's appointment as a director terminates

## **13 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**

### **14 SHARE RIGHTS**

**14 1** Except as otherwise provided in these articles, the A Shares and B Shares shall each rank *pari passu* in all respects but shall constitute *separate* classes of shares

#### **14 2 A Shares**

**14 2 1** The holders of the A Shares shall be entitled to receive notice of, and to attend and vote at, general meetings of the Company, and on a show of hands every holder of A Shares 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 holder of A Shares so present shall have one vote for each A Share held by him

**14 2 2** The A Shares shall entitle the holders to the first 10% of any dividends declared, regardless of the class of shares in respect of which the dividend is declared. The A Shares shall also entitle the holders to dividends at the sole discretion of the board of directors and, for the avoidance of doubt, such dividends may be declared without reference to dividends being declared to the holders of any other class of shares in the Company

#### **14 3 B Shares**

**14 3 1** The holders of the B Shares shall be entitled to receive notice of, and to attend and vote at, general meetings of the Company, and on a show of hands every holder of B Shares 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 holder of B Shares so present shall have one vote for each B Share held by him

- 14 3 2 The B Shares shall entitle the holders to dividends at the sole discretion of the board of directors and, subject to article 14 2 2, such dividends may be declared without reference to dividends being declared to the holders of any other class of shares in the Company

#### 14 4 E Shares

- 14 4 1 The E Shares shall not entitle the holders to receive notice of or attend or vote at any general meeting, unless the business of the meeting includes the consideration of a resolution directly or adversely affecting any of the rights attached to the E Shares *The creation of further shares ranking in any respect in priority or pari passu with the E Shares shall not be deemed to constitute a variation of rights attached to the E Shares*

- 14 4 2 The holders of the E Shares shall have no right to a dividend

#### 14 5 Rights on a winding up/Repayment of capital

On a winding up or repayment of capital, the E Shares shall entitle the holders to repayment of the nominal capital paid up on such shares on an equal basis with the holders of the A Shares and B Shares *After the repayment of capital to the Shareholders, any surplus shall be divided equally between the holders of the A Shares, B Shares and E Shares*

### 15 AUTHORITY TO ALLOT SHARES

- 15 1 Subject to the remaining provisions of this article 15 and article 16, the directors are generally and unconditionally authorised for the purpose of section 551 of the Act to exercise any power of the Company to

15 1 1 offer, allot or grant rights to subscribe for, or

15 1 2 convert securities into, or

15 1 3 otherwise deal in, or dispose of,

any shares to any person, at any time and subject to any terms and conditions as the directors think proper

#### 15 2 The authority in article 15 1

15 2 1 shall only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution, and

15 2 2 may only be exercised for a period of five years commencing on the date on which these Articles are adopted, save that the directors may make an offer or agreement which would, or might, require shares to be allotted after the expiry of such authority *(and the directors may allot shares in pursuance of an offer or agreement as if such authority had not expired)*

### 16 PRE-EMPTION RIGHTS ON SHARE ISSUES

- 16 1 In accordance with section 567 of the Act, sections 561 and 562 of the Act shall be excluded

16 2 If the Company proposes to allot any equity securities (other than any equity securities to be held under an employees' share scheme), those equity securities shall not be allotted to any person unless the Company has first offered them to all Shareholders on the date of the offer on the same terms, and at the same price, as those equity securities are being offered to other persons on a pari passu and pro rata basis to the number of shares held by those holders (as nearly as possible without involving fractions) The offer

16 2 1 shall be in writing, shall be open for acceptance for a period of 15 business days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities, and

16 2 2 may stipulate that any Shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess equity securities (**Excess Securities**) for which he wishes to subscribe

16 3 Any equity securities not accepted by Shareholders pursuant to the offer made to them in accordance with article 16 2 shall be used for satisfying any requests for **Excess Securities** made pursuant to article 16 2 If there are insufficient **Excess Securities** to satisfy such requests, the **Excess Securities** shall be allotted to the applicants pro rata to the number of shares held by the applicants immediately before the offer was made to Shareholders in accordance with article 16 2 (as nearly as possible without involving fractions or increasing the number of **Excess Securities** allotted to any Shareholder beyond that applied for by him) After that allotment, any **Excess Securities** remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the Shareholders

16 4 The rights and procedures set out in articles 16 2 and 16 3 shall not apply to any proposed allotment

16 4 1 of A Shares or B Shares for which A Shareholder Consent as to the proposed allottee and allotment has been obtained, or

16 4 2 of E Shares, which shall only be allotted to the EBT

16 5 Subject to articles 16 2, 16 3 and 16 4, any equity securities shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper in the manner prescribed in article 15

## 17 **SHARE ISSUES, LIEN, CALLS ON SHARES AND FORFEITURE**

Shares may be issued as nil, partly or fully paid

## 18 **SHARE TRANSFERS**

18 1 No Shareholder shall sell, transfer, assign, pledge, charge or otherwise dispose of any share or any interest in any share in the capital of the Company unless it is permitted by, or made in accordance with, the Articles

18 2 Except for transfers to which all other Shareholders give their prior written consent or transfers made in accordance with articles 19 and 20 1 1, no Shareholder shall offer to transfer any shares unless he offers to transfers all (and not some only) of the shares held by him

18 3 To the extent that a transfer complies with article 18 1, the directors shall promptly register the transferee of shares in the register of members of the Company

18 4 The directors may require such information or evidence as is reasonable to ensure that a relevant transfer is permitted under the Articles Pending the provision of such information or evidence to their reasonable satisfaction, the directors shall refuse to register the relevant transfer

## **19 TRANSFER RESTRICTIONS FOR A SHAREHOLDERS**

Any A Shares may be transferred at any time by the A Shareholder, without restriction

## **20 TRANSFER RESTRICTIONS FOR B SHAREHOLDERS**

20 1 No B Share may be transferred other than

20 1 1 with A Shareholder Consent, or

20 1 2 when required by, or pursuant to, article 22 (Leavers), or

20 1 3 when required by article 23 (Drag Along)

20 2 If A Shareholder Consent is provided in respect of a transfer of B Shares, the B Shareholder shall comply with the provisions of articles 20 3 to 20 9

20 3 A B Shareholder (**Seller**) wishing to transfer his shares (**Sale Shares**) must give notice in writing (a **Transfer Notice**) to the Company giving details of the proposed transfer including

20 3 1 the number of Sale Shares,

20 3 2 if the Seller wishes to sell the Sale Shares to a third party, the name of the proposed buyer,

20 3 3 the price (in cash) at which he wishes to sell 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 directors in the case of a sale to a third party and the Seller and the proposed purchaser in the case of a sale to an existing Shareholder, during the period of 10 business days of the issue of the Transfer Notice (**Transfer Price**))

For the purposes of article 20 3 3, if the price shall be the Fair Value, the provisions of article 22 11 shall apply, save that references to Compulsory Transfer Notice shall be interpreted as references to Transfer Notice, and references to Compulsory Transferor shall be interpreted as references to the Seller

20 4 Once given, a Transfer Notice may not be withdrawn

20 5 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of the Articles

20 6 As soon as practicable following the receipt of a Transfer Notice, the directors shall offer the Sale Shares for sale at the Transfer Price Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered

20 7 The directors shall offer the Sale Shares

20 7 1 first to the A Shareholder (who may at its absolute discretion nominate a third party to be the recipient of the Sale Shares), and

20 7 2 secondly to the Remaining Shareholders,

in each case on the basis set out in article 22 7, save that references to Transfer Shares shall be interpreted as references to Sale Shares and references to Compulsory Transferor shall be shall be interpreted as references to the Seller

20 8 Upon service of the Allocation Notice, the Seller must, against receipt of payment, transfer the Sale Shares in accordance with the requirements specified in it. If the operation of article 22 7 results in the Allocation Notice not applying to all of the Sale Shares, then the Seller shall be entitled to retain the excess Sale Shares or the Seller may transfer the Sale Shares to any person at a price at least equal to the Transfer Price

20 9 If the Seller fails to comply with the provisions of article 20 8

20 9 1 the chairman of the Company or, failing him, one of the directors, or some other person nominated by a resolution of the directors, may on behalf of the Seller

20 9 1 1 complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the purchaser,

20 9 1 2 procure that the Company shall receive the payment for the Sale Shares and give a good discharge for it, and

20 9 1 3 (subject to the transfer being duly stamped) enter the purchaser's name in the register of members as the holders of the shares purchased by them, and

20 9 2 the Company shall pay the purchase 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 directors, in respect of any lost certificate)

## 21 TRANSFER RESTRICTIONS FOR E SHAREHOLDERS

No E Shares may be transferred at any time other than

21 1 by the EBT, who may only transfer E Shares to employees of the Company recommended and approved by the directors, or

21 2 when required by, or pursuant to, article 22 (Leavers), or

21 3 by the EST or any other E Shareholder when required by article 23 (Drag Along) or otherwise as part of the sale of the entire issued share capital of the Company

## 22 LEAVERS

22 1 When an employee or director of the Company (or any of its subsidiaries from time to time) (each, a Group Company) who is

22 1 1 a B Shareholder ceases for any reason to be an employee or director of that Group Company, the provisions of this article 22 (excluding article 22 9) shall apply,

22 1 2 an E Shareholder ceases for any reason to be an employee or director of that Group Company, the provisions of articles 22 9 and 22 10 shall apply

and in each case, such B shareholder and/or E shareholder shall be a **Leaver**

22 2 Within 15 business days of the Leaving Date, the directors shall serve a notice (**Compulsory Transfer Notice**) in writing on all or any of

22 2 1 the Leaver, or

22 2 2 if the Leaver has become bankrupt, any person entitled to the Leaver's shares as a result of his bankruptcy, or

22 2 3 if the Leaver is a Dead Leaver, any person entitled to the Leaver's shares as a result of his death,

(each a **Compulsory Transferor**)

22 3 A Compulsory Transfer Notice shall require the Compulsory Transferor(s) to transfer all shares held by the relevant Compulsory Transferor (**Transfer Shares**) within 15 business days of the service of the Compulsory Transfer Notice on such terms as set out in this article 22

22 4 If the Leaver is a Good Leaver

22 4 1 The Compulsory Transfer Notice shall provide that the Transfer Shares shall be offered for purchase in the following priority

22 4 1 1 first, to the A Shareholder (who may at its absolute discretion nominate a third party to be the recipient of the Transfer Shares), and

22 4 1 2 secondly, to the Remaining Shareholders,

in each case on the basis set out in article 22 7

22 4 2 The Good Leaver shall be entitled to specify in the Compulsory Transfer Notice the price (in cash) at which he wishes to sell the Transfer Shares. If no cash price is agreed between the Good Leaver and the A Shareholder or Remaining Shareholder(s), as applicable, within 10 business days of the service of the Compulsory Transfer Notice, the price payable for the shares shall be the Fair Value

22 5 If the Leaver is a Dead Leaver

22 5 1 The Compulsory Transfer Notice shall provide that the Transfer Shares shall be offered for purchase in the following priority

22 5 1 1 first, to the A Shareholder, and

22 5 1 2 secondly, to the Remaining Shareholders,

in each case on the basis set out in article 22 7



- 22 5 2 The Compulsory Transfer Notice shall provide that the price payable for the shares shall be at a Fair Value
- 22 6 If the Leaver is a Bad Leaver
- 22 6 1 The Compulsory Transfer Notice shall provide that the Transfer Shares shall be offered for purchase in the following priority
- 22 6 1 1 first, to the A Shareholder, and
- 22 6 1 2 secondly, to the Remaining Shareholders,
- in each case on the basis set out in article 22 7
- 22 6 2 The Compulsory Transfer Notice shall provide that the price payable for the shares shall be at par value
- 22 7 The directors shall offer the Transfer Shares by sending a notice (Offer Notice), pursuant to the Priority Rights, requiring the relevant party to apply in writing within 10 business days from the date of the Offer Notice to purchase the Transfer Shares (Offer Period) If the relevant party does not reply within the Offer Period or replies but does not wish to purchase all of the Shares, the directors shall then send an Offer Notice to the next relevant party in accordance with the Priority Rights When no further offers are required to be made, the directors shall give written notice of allocation (Allocation Notice) to the Compulsory Transferor and the relevant party to whom the Transfer Shares have been allocated (Compulsory Transferee) and shall set out the place and time (being not less than 10 business days nor more than 15 business days after the date of the Allocation Notice) for completion of the transfer of the Transfer Shares
- 22 8 Upon service of the Allocation Notice, the Compulsory Transferor must, against receipt of payment, transfer the Transfer Shares in accordance with the requirements specified in it If the operation of article 22 7 results in the Allocation Notice not applying to all of the Transfer Shares of the Leaver, then the Leaver shall be entitled to retain the excess Transfer Shares but shall not be entitled to sell those Shares without first obtaining the prior written consent of the A Shareholder
- 22 9 Within 15 business days of the Leaving Date, the directors shall serve a Compulsory Transfer Notice in writing on each relevant Compulsory Transferor, which shall require the Compulsory Transferor to transfer all E Shares held by the relevant Compulsory Transferor to the EBT (who, for the purposes of the remainder of this article 22, shall be deemed to be the Compulsory Transferee in respect of any E Shares) at a price of £1 per E Share within 15 business days of the service of the Compulsory Transfer Notice
- 22 10 If the Compulsory Transferor fails to comply with the provisions of article 22 8 or the requirements of the Compulsory Transfer Notice served under article 22 9
- 22 10 1 the chairman of the Company or, failing him, one of the directors, or some other person nominated by a resolution of the directors, may on behalf of the Compulsory Transferor
- 22 10 1 1 complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Transfer Shares to the Compulsory Transferee,

22 10 1 2 procure that the Company shall receive the payment for the Transfer Shares and give a good discharge for it, and

22 10 1 3 (subject to the transfer being duly stamped) enter the Compulsory Transferee in the register of members as the holders of the Transfer Shares purchased by them, and

22 10 2 the Company shall pay the purchase price into a separate bank account in the Company's name on trust (but without interest) for the Compulsory Transferor until he has delivered to the Company his certificate or certificates for the relevant Transfer Shares (or an indemnity, in a form reasonably satisfactory to the directors, in respect of any lost certificate)

22 11 If the Fair Value falls to be determined by the Valuers

22 11 1 they shall determine the Fair Value on the basis which, in their opinion, represents a fair price for (i) the Seller's shares as at the date of the Transfer Notice, or (as the case may be) (ii) the Leaver's shares as at the Leaving Date, as between a willing seller and a willing buyer and, in making such determination, the Valuers shall value the Seller's / Leaver's shares on an individual basis but take account of whether the Seller's / Leaver's shares comprise a majority or minority interest in the Company and the fact that their transferability is restricted by these Articles (but, for the avoidance of doubt, ignoring the fact that a Seller's /Leaver's shares can be subject to the compulsory transfer requirements of article 23),

22 11 2 the Valuers shall certify the Fair Value as soon as possible after being instructed and in so certifying the Valuers shall be deemed to be acting as experts and not as arbitrators and the Arbitration Act 1996 shall not apply,

22 11 3 the certificate of the Valuers shall, in the absence of manifest error, be final and binding, and

22 11 4 the Company shall procure that any certificate required hereunder is obtained with due expedition and the cost of obtaining such certificate shall be borne by the parties in such proportions as the Valuers determine

## 23 DRAG ALONG

23 1 If the holders of not less than 100% in nominal value of the A Shares then in issue (**Selling Shareholders**) wish to transfer all of their interest in their A Shares (**Sellers' Shares**) to a bona fide arm's length purchaser (**Proposed Buyer**), the Selling Shareholders may subject always to them first complying with the provisions of articles 23 9 to 23 12 (inclusive), require all other Shareholders (**Drag Shareholders**) to sell and transfer all their shares to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this article (**Drag Along Option**)

23 2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect (**Drag Along Notice**) at any time before the transfer of the Sellers' Shares to the Proposed Buyer The Drag Along Notice shall specify

23 2 1 that the Drag Shareholders are required to transfer all their Shares (**Drag Shares**) pursuant to this article 23,

23 2 2 the person to whom the Drag Shares are to be transferred,

- 23 2 3 the consideration payable for the Drag Shares, which shall for each Drag Share, be an amount at least equal to the price per share offered by the Proposed Buyer for the Sellers' Shares, and
- 23 2 4 the proposed date of the transfer
- 23 3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 10 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.
- 23 4 No Drag Along Notice shall require a Drag Shareholder to agree to any terms except those specifically set out in this article 23.
- 23 5 Completion of the sale of the Drag Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Sellers' Shares unless all of the Drag Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Drag Shareholders and the Selling Shareholders.
- 23 6 Within 10 business days of the Selling Shareholders serving a Drag Along Notice on the Drag Shareholders, the Drag Shareholders shall deliver stock transfer forms for the Drag Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Drag Shareholders, on behalf of the Proposed Buyer, the amounts they are due for their shares pursuant to article 23 2 3, to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Drag Shareholders pursuant to article 23 2 3, in trust for the Drag Shareholders without any obligation to pay interest.
- 23 7 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the consideration due pursuant to article 23 6, the Drag Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Drag Shares and the Drag Shareholders shall have no further rights or obligations under this article 23 in respect of their shares.
- 23 8 If any Drag Shareholder does not, on completion of the sale of the Drag Shares, execute transfer(s) in respect of all of the Drag Shares held by it, the defaulting Drag Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent and/or attorney to execute all necessary transfer(s) on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Drag Shares, to deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this article 23.
- 23 9 Prior to exercising the rights granted to them under article 23 1, and save as otherwise provided in the Articles, the Selling Shareholders undertake to give to the Company a Transfer Notice. The Transfer Notice shall constitute the Company as the Selling Shareholders' agent for the sale of all the Sellers' Shares at an amount equivalent on a price per Share basis to the amount offered to the Selling Shareholders by the Proposed Buyer for the Sale Shares (Sale Price).

23 10 As soon as the Sellers' Shares become available they shall be forthwith offered for sale by the Company to the Drag Shareholders in proportion as nearly as maybe to the respective numbers of shares held by such Drag Shareholders Any offer made by the Company under this article 23 10 will invite the Drag Shareholders to state in writing the maximum number of shares offered to them that they wish to purchase and will remain open for five business days (**First Offer Period**)

23 11 If, at the end of the First Offer Period, there are any Sellers' Shares offered which have not been allocated, the Company shall offer such shares to such Drag Shareholders as have stated in writing their willingness to purchase all of the Sellers' Shares previously offered to them This offer will invite those Drag Shareholders to state in writing the maximum number of Sellers' Shares they wish to purchase If there are insufficient Sellers' Shares to meet the demand, then the directors will allocate the Sellers' Shares pro-rata as nearly as maybe in proportion to the number of shares held by those Drag Shareholders This offer will remain open for a further period of five business days Thereafter the Company shall continue to make offers on the same terms while any Shareholder continues to state in writing his willingness to purchase all Sellers' Shares offered to him

23 12 If the Company finds a purchaser for all or any of the Sellers' Shares under the provisions of articles 23 9 to 23 11 (inclusive) the Selling Shareholders must on receipt of the Sale Price transfer the Sellers' Shares (or those for which the Company shall have found a purchaser) to such persons If a Selling Shareholder defaults in transferring the Sellers' Shares, the Company shall if so required by the persons willing to purchase such Sellers' Shares receive and give a good discharge for the purchase money on behalf of the Selling Shareholders and shall authorise some person to execute transfers of the Sellers' Shares in favour of the purchasers and shall enter the names of the purchasers in the register of members of the Company accordingly

## **24 DIVIDENDS**

24 1 Except as otherwise provided by these Articles or the rights attached to the shares, all dividends must be

24 1 1 declared and paid according to the amounts paid up on the shares on which the dividend is paid, and

24 1 2 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

24 2 For the purpose of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount

24 3 Model Articles 31(a) to (d) (inclusive) shall be amended by the deletion, in each case, of the words "*either and "or as the directors may otherwise decide"*"

## **25 CAPITALISATION OF PROFITS**

25 1 Model Article 36(4) shall be amended by the insertion after "*A capitalised sum which was appropriated from profits available for distribution may be applied*" of the words "*(a) in or towards paying up any amounts unpaid on any existing nil or partly paid shares held by the persons entitled, or (b)",*"

25 2 Model Article 36(5)(a) shall be amended by the deletion of the words "*paragraphs (3) and (4)*" and their replacement with the words "*Model Article 36(3) and article 20 1*"

## **DECISION-MAKING BY SHAREHOLDERS**

### **26 WRITTEN RESOLUTIONS**

- 26 1 Subject to article 26 2, a written resolution of members passed in accordance with Part 13 of the Act is as valid and effective as a resolution passed at a general meeting of the Company
- 26 2 The following may not be passed as a written resolution and may only be passed at a general meeting
- 26 2 1 a resolution under section 168 of the Act for the removal of a director before the expiration of his period of office, and
- 26 2 2 a resolution under section 510 of the Act for the removal of an auditor before the expiration of his period of office
- 26 3 Subject to article 26 2, on a written resolution, a member has one vote in respect of each share held by him
- 26 4 No member may vote on a written resolution unless all moneys currently due and payable in respect of any shares held by him have been paid

### **27 POLL VOTES**

- 27 1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting
- 27 2 Model Article 44(3) shall be amended by the insertion of the words "*A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made*" as a new paragraph at the end of that article
- 27 3 Model Article 44(4) shall be amended by the deletion of the word "immediately" and the insertion in its place of the words "*at the general meeting at which they are demanded*"

### **28 PROXIES**

- 28 1 Model Article 45(1)(d) shall be deleted and replaced with the words "*is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate*"
- 28 2 Model Article 45(1) shall be amended by the insertion of the words "*and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting*" as a new paragraph at the end of that Model Article

### **29 QUORUM**

- 29 1 A quorum at a general meeting shall comprise two persons entitled to attend and vote upon the business to be transacted, each such person being an actual member of the Company or a proxy for a member or a duly authorised representative of a corporation
- 29 2 Whensoever the Company has only a single member, then a quorum shall be constituted by that sole member being present either in person or by means of a proxy In the case of

another Company being a sole member, attendance by a duly authorised person of that Company shall be deemed to be a quorum

- 29 3 All and any decisions taken by a single member in a general meeting of the Company or by way of written resolution shall be deemed to be effective and all and any such decisions so made shall be recorded in writing and entered into and maintained in the minute book of the Company, being the dedicated book held and maintained by the Company for such purpose

## **ADMINISTRATIVE ARRANGEMENTS**

### **30 MEANS OF COMMUNICATION TO BE USED**

- 30 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient

30 1 1 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),

30 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,

30 1 3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and

30 1 4 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, no account shall be taken of any part of a day that is not a working day

- 30 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

### **31 INDEMNITY**

- 31 1 Subject to article 31 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

31 1 1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including (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 any associated company's) affairs, and

- 31 1 2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 31 1 1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

31 2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law

31 3 In this article

- 31 3 1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

- 31 3 2 a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act)

## 32 INSURANCE

32 1 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

32 2 In this article

- 32 2 1 a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor),

- 32 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

- 32 2 3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate