

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

**CLINICAL PROFESSIONALS LIMITED (CRN: 05768482)
(the Company)**

CIRCULATION DATE 25 MAY 2018

(the Circulation Date)

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the Act), the directors of the Company propose that the following resolutions are passed as special resolutions of the Company (the **Special Resolutions**).

SPECIAL RESOLUTIONS

1. That, the directors be generally and unconditionally authorised to sub-divide the existing 1000 Ordinary A shares of £1.00 each in the capital of the Company into 100,000 Ordinary A shares of £0.01 each in the capital of the Company and the existing 300 Ordinary B shares of £1.00 each in the capital of the Company into 30,000 Ordinary B shares of £0.01 each in the capital of the Company provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the first anniversary of the date on which this resolution is passed.
2. That, in accordance with section 551 of the Act, the directors be generally and unconditionally authorised to allot 14,440 Ordinary C shares of £0.01 each in the capital of the Company (Shares) provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the first anniversary of the date on which this resolution is passed save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted and the directors may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired. This authority is in substitution for all previous authorities conferred on the directors in accordance with section 551 of the Act.
3. That subject to the passing of resolution 2 above and in accordance with section 570 of the Act, the directors be generally empowered to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred by resolution 1, as if section 561(1) of the Act did not apply to any such allotment, provided that:

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(a) this power shall be limited to the allotment of the Shares; and

(b) expire on the first anniversary of the date on which this resolution is passed.

4. That the draft regulations contained in the attached document be adopted as the articles of association of the Company in substitution for and to the exclusion of all the existing articles of association of the Company.

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

The undersigned, being the sole shareholder of the Company on the Circulation Date, hereby irrevocably agrees to the Special Resolutions:-



Pharma Professionals Group Limited

Date: 25 MAY 2018

NOTES

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

- 1 **By Hand:** delivering the signed copy to the Company at the Registered Office of the Company.
 Post: returning the signed copy by post to the Company at the Registered Office of the Company.
 If you do not agree to the Resolutions, you do not need to do anything: you will not be deemed to agree if you fail to reply.
- 2 Once you have indicated your agreement to the Resolutions you may not revoke your agreement.
- 3 Unless, within 28 days of the date hereof, sufficient agreement has been received for the Resolutions to pass, they will lapse. If you agree to the Resolutions, please ensure that your agreement reaches us before or during this date.
- 4 In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members.
- 5 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

Company number 05768482
THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
CLINICAL PROFESSIONALS LIMITED
(Adopted by special resolution passed on 25 May 2018)

INTRODUCTION

1. INTERPRETATION

1.1 The following definitions and rules of interpretation apply in these Articles:

A Ordinary Shares: the A Ordinary Shares of £0.01 each in the capital of the Company.

Adoption Date: the date of adoption of these Articles.

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

Associated Company: any subsidiary or holding Company of the Company or any other subsidiary of the Company's holding Company.

B Ordinary Shares: the B Ordinary Shares of £0.01 each in the capital of the Company.

Bad Leaver: a holder of C Ordinary Shares who becomes a Departing Employee in circumstances where he is not a Good Leaver.

Business Day: a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.

CA 2006: the Companies Act 2006.

Company: Clinical Professionals Limited incorporated and registered in England and Wales with company number 05768482 whose registered office is at First Floor, 33 Blagrove Street, Reading, RG1 1PW.

C Ordinary Shares: the C Ordinary Shares of £0.01 each in the capital of the Company.

Departing Employee: a holder of C Ordinary Shares who ceases to be a Director or employee of the Company.

Directors: the Directors of the Company from time to time.

Eligible Director: 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).

Employee: an individual who is, or has been, a Director and/or an employee of the Company.

Fair Value: the price per C Ordinary Share determined by the Directors, having taken advice from the Company's accountants and shall be determined on the following bases and assumptions:

- (a) valuing the C Ordinary Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Exercise Notice was served (or deemed served);
- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- (c) reflecting any other factors which the Directors reasonably believe should be taken into account.

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

Good Leaver: an Employee who becomes a Departing Employee by reason of:

- (a) death;
- (b) permanent disability or permanent incapacity through ill-health;
- (c) dismissal by the Company which is determined, by an employment tribunal or at a court of competent jurisdiction from which there is no right to appeal, to be wrongful.

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

Ordinary Shares: the A Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares.

Put and Call Option Agreements: the put and call option agreements dated with the same date as these Articles between the Company, Pharma Professionals Group Limited and the holders of the C Ordinary Shares.

Relevant Officer: any Director or other officer of the Company or an associated Company, 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 that he acts in his capacity as auditor.

Relevant Period: the period commencing on 1st July 2017 and ending on 30th June 2020.

Share Rights Measure: the average annual EBITDA of the Business as defined in Article 4.2 over the Relevant Period being equal to or more than £1,680,000.

Termination Date: (a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires;

(b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;

(c) where an Employee dies, the date of his death;

(d) where the Employee concerned is a Director but not an employee, the date on which his service agreement (or other terms of appointment) with the Company is terminated; or

(e) in any other case, the date on which the employment or holding of office is terminated.

- 1.2 Headings in these Articles shall not affect the interpretation of these Articles.
- 1.3 Unless the context otherwise requires, words in the singular shall include the plural and the plural shall include the singular.
- 1.4 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.5 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles (but excluding any statutory modification of them not in force on the Adoption Date).
- 1.6 A reference in these Articles to:
- (a) an **Article** is a reference to the relevant numbered article of these Articles; and
 - (b) a **model article** is a reference to the relevant article,
- unless expressly provided otherwise.
- 1.7 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time. A reference to a statute

or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.

- 1.8 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.9 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.10 A reference to a **holding Company** or a **subsidiary** means a holding Company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a Company shall be treated as a member of another Company even if its shares in that other Company are registered in the name of:
- (a) another person (or its nominee), by way of security or in connection with the taking of security; or
 - (b) its nominee.

In the case of a limited liability partnership which is a subsidiary of a Company or another limited liability partnership, section 1159 of the Act shall be amended so that: (a) references in sections 1159(1)(a) and (c) to voting rights are to the members' rights to vote on all or substantially all matters which are decided by a vote of the members of the limited liability partnership; and (b) the reference in section 1159(1)(b) to the right to appoint or remove a majority of its board of Directors is to the right to appoint or remove members holding a majority of the voting rights.

- 1.11 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 1.12 Model articles 8, 9(1) and (3), 11(2) and (3), 13, 14(1) to (4) (inclusive), 18(e), 21(1), 44(2), 49, 52 and 53 shall not apply to the Company.

2. LIABILITY OF MEMBERS AND CHANGE OF NAME

- 2.1 The liability of the members is limited to the amount, if any, of unpaid shares held by them.
- 2.2 Subject to the CA 2006, the Directors may by resolution change the name of the Company.

SHARES

3. SHARE RIGHTS: INCOME

- 3.1 The Company shall be able to declare different dividends as between the A Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares provided that:
- (a) each A Ordinary Share shall rank equally for any dividends declared thereon;
 - (b) each B Ordinary Share shall rank equally for any dividends declared thereon;
 - (c) each C Ordinary Share shall rank equally for any dividends declared thereon provided that the Share Right Measure has been achieved.

4. GENERAL SHARE RIGHTS: CAPITAL

- 4.1 On a return of capital on liquidation, reduction of capital or otherwise, the surplus assets of the Company remaining after payment of its liabilities shall be distributed among the holders of A Ordinary Shares and B Ordinary Shares pro rata to the number of A Ordinary Shares or B Ordinary Shares held.
- 4.2 On a return of capital by way of a sale of the entire issued share capital of the Company to a third party on or before 31 December 2020, the holders of the C Ordinary Shares shall be entitled to receive the following:-
- (a) in the event that the average annual EBITDA of the Business over the Relevant Period is equal to or more than £1,680,000 the maximum potential consideration shall be a sum equal to the Enterprise Value Increase x 10%
 - (b) in the event that the average annual EBITDA of the Business over the Relevant Period is equal to or more than £1,428,000 but is less than £1,680,000 the maximum potential consideration shall be a sum equal to the Enterprise Value Increase x 5%

Enterprise Value Increase = A x 6

Where:

EBITDA = The entry in the Business Management Accounts for the Business measured for each period ending 30 June in the Relevant Period, for Earnings Before Interest, Tax, Depreciation and Amortisation, measured consistently over the Relevant Period

The Business = the Clinical Professionals group of businesses, including the whole of the business of the Company and parts of other businesses in the same overall group of companies, as recorded in the Business Management Accounts for each Financial Year

And

Business Management Accounts = management accounts for the Clinical Professionals group of businesses for each period ending 30 June, prepared on a consistent basis for each year, and agreed by the board of directors of Pharma Professionals Group Limited. These will be prepared for that board of directors as soon as possible at the end of each period ending 30 June.

A is the EBITDA of the Business in the financial period ending 30th June 2020 LESS the sum of £1,100,000 (one million, one hundred thousand pounds).

At the end of the Relevant Period, the Directors will notify in writing the holders of C Ordinary Shares whether either:

- (i) the conditions for maximum potential consideration in article 4.2(a) have been met; or
- (ii) the conditions for maximum potential consideration in article 4.2(b) have been met; or
- (iii) neither has been met.

- 4.3 In the event that there is a return of capital by way of a sale of the entire issued Share Capital of the Company to a third party on or before 31 December 2020 and the holders of the C Ordinary Shares receive consideration as set out in article 4.2, the maximum potential consideration shall only be payable in full in the event that there are 14,440 C Ordinary Shares in issue. If there are fewer than 14,440 C Ordinary Shares in issue, each holder of C Ordinary Shares shall receive their share of the maximum potential consideration on the basis of the number of C Ordinary Shares held by them divided by the number 14,440.

5. LEAVERS

- 5.1 If a holder of C Ordinary Shares becomes a Departing Employee, notice specifying that he wishes to transfer all the C Ordinary Shares held by him (**Deemed Transfer Notice**) shall, unless the Directors otherwise direct in writing in respect of any particular C Ordinary Shares prior to or within 10 Business Days after the relevant Termination Date, be deemed to have been served on the relevant Termination Date in respect of all C Ordinary Shares held by such holder (a **Compulsory Transfer**).
- 5.2 Notwithstanding any other provisions of these articles, the Consideration in respect of a Compulsory Transfer shall, where the Departing Employee is:
- (a) a Bad Leaver, be restricted to a maximum of the lower of the aggregate price paid for such C Ordinary Shares and the aggregate Fair Value of such C Ordinary Shares; and
 - (b) a Good Leaver, be the aggregate Fair Value of such C Ordinary Shares.
- 5.3 Notwithstanding the provisions of article 5.2, the Directors may, by notice in writing served on the Company and the relevant holder of C Ordinary Shares, direct that some higher (but not lower) Consideration shall apply to any or all C Ordinary Shares which would otherwise be subject to article 5.2.

6. DRAG ALONG RIGHTS

- 6.1 If holders of Ordinary Shares wish to transfer 50% or more of the Ordinary Shares (**Dragging Shareholder**) (**Drag Along Offer**) to any person who is not a holder of Ordinary Shares (**Drag Along Purchaser**), then the Dragging Shareholder has the option to require all of the holders of C Ordinary Shares (**Dragged Shareholders**) to transfer all of their C Ordinary Shares to the Drag Along Purchaser, or as the Drag Along Purchaser directs (**Drag Along Transaction**).
- 6.2 The Dragging Shareholder may exercise the option in article 6.1 by giving a written notice (**Drag along Notice**) to the Dragged Shareholders specifying:
- (a) that the Dragged Shareholders are, or will be, required to transfer their C Ordinary Shares under this article 5 to the Drag Along Purchaser:
 - (i) on or about the date specified in the Drag Along Notice;
 - (ii) or (if no date is specified), on or about any date that the Dragging Shareholder specifies by notice in writing,

which in either case shall not be less than 10 Business Days after the date of the Drag Along Notice; and

- (b) the purchase price, which, shall be not less than the price per C Ordinary Share offered or proposed to be offered to the Dragging Shareholder under the Drag Along Offer (if any) and which shall be paid to the Dragged Shareholders at the same time it is paid to the Dragging Shareholder following completion of the Drag Along Transaction. If the Dragging Shareholder is receiving consideration other than cash in the Drag Along Offer, the Dragged Shareholders shall accept such consideration in the same way.

6.3 For the avoidance of doubt:

- (a) the Dragging Shareholder may serve a Drag Along Notice more than once;
- (b) a Drag Along Notice may be revoked at any time by the Dragging Shareholder giving written notice to the Company before the proposed transfer of Ordinary Shares to the Drag Along Purchaser becomes wholly unconditional; and
- (c) the terms applying to the Dragged Shareholders shall be the same or no more onerous than those between the Dragging Shareholders and the Drag Along Purchaser.

7. SHARE RIGHTS: VOTING

- 7.1 Subject to article 7.2, on a resolution at a general meeting on a poll, every member (whether present in person, by proxy or by corporate representative) shall have one vote for every Ordinary Share of which he is the holder. On a vote on a resolution at a general meeting on a show of hands each member (present in person, by proxy or by corporate representative) who would be entitled to vote on a poll at that meeting has one vote.

- 7.2 The C Ordinary Shares shall have no voting rights.

8. VARIATION OF CLASS RIGHTS

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

- (b) with the sanction of a special resolution passed at a separate general meeting of the holders of that class. To every separate general meeting all the provisions of these articles relating to general meetings of the Company (and to the proceedings at such general meetings) shall, mutatis mutandis, apply, except that:
 - (i) the necessary quorum shall be two persons, present in person or by proxy or by duly authorised representative (if a corporation), who together hold or represent at least one third in nominal value of the issued shares of the relevant class (unless all the shares of that class are registered in the name of a single holder, in which case the quorum shall be that holder, his proxy or his duly authorised representative (if a corporation)), but so that if, at any adjourned meeting of such holders a quorum as above defined is not present, those holders who are present (in person or by proxy or by duly authorised representative (if a corporation)) shall be the quorum;
 - (ii) any holder of shares of the relevant class present in person or by proxy or by duly authorised representative (if a corporation) may demand a poll; and
 - (iii) the holders of shares of the relevant class shall, on a poll, have one vote in respect of every share of that class held by him

The creation of a new class of shares which has preferential rights to one or more of the classes of shares existing at such time shall not constitute a variation of the rights of the existing classes of shares.

DIRECTORS

9. DIRECTORS TO TAKE DECISIONS COLLECTIVELY

9.1 Article 7 of the Model Articles is amended by:

- (a) The insertion of the words “for the time being” at the end of article 7(2)(a); and
- (b) The insertion in article 7(2) of the words “(for so long as he remains the sole Director)” after the word “and the Director may”.

10. UNANIMOUS DECISIONS

- 10.1 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.

10.2 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.

10.3 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.

11. CALLING A DIRECTORS MEETING

11.1 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.

11.2 Notice of a Directors' meeting shall be given to each Director in writing.

12. QUORUM FOR DIRECTORS' MEETINGS

12.1 Subject to articles 9.1 and to article 12.2, the quorum for the transaction of business at a meeting of the Directors is any two eligible Directors.

12.2 For the purposes of any meeting (or part of a meeting) held pursuant to articles 15.1 to authorise a Directors' 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.

12.3 If the 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 to:

- (a) appoint further Directors; or
- (b) call a general meeting so as to enable the shareholders to appoint further Directors.

13. CASTING VOTE

13.1 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.

13.2 Article 13.1 shall not apply in respect of a particular meeting (or part of a meeting), 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).

14. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

14.1 Subject to the provisions of CA 2006 and provided he has declared the nature and extent of any interest of his (unless the circumstances in any of sections 177(5) and 177(6) or sections 182(5) and 182(6) CA apply, in which case no disclosure is required), a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company, notwithstanding his office:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- (b) 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;
- (c) 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;
- (d) 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 CA 2006)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate which he is permitted to hold or enter into by virtue of articles 14.1(1), 14.1(b) and 14.1(c) 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 CA 2006; and
- (e) shall, subject to article 15.1, be an eligible Director for the purposes of any proposed decision of the Directors (or committee of Directors) and shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, on any matter referred to in articles 14.1(a) to 14.1(c) (inclusive) or on any resolution which in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever and if she shall vote on any such resolution his vote shall be counted.

14.2 For the purposes of this article 14, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors'/ meeting.

- 14.3 Any disclosure required by articles 14.1 may be made at a meeting of the Directors, by notice in writing or by general notice or otherwise in accordance with section 177 CA 2006.

15. DIRECTORS' CONFLICTS

- 15.1 For the purposes of section 175 CA 2006, the Directors may authorise any matter proposed to them in accordance with these articles which would, if not so authorised, involve a breach of duty by a Director under that section, including, without limitation, any matter which relates to a situation in which a Director has, or can have, an interest which conflicts, or possibly may conflict, with the interests of the Company (a **Conflict**). Any such authorisation will be effective only if:

- (a) any requirement as to quorum at the meeting at which the matter is considered is met without counting the Director in question or any other interested Director; and
- (b) the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.

The Directors may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions they may expressly impose but such authorisation is otherwise given to the fullest extent permitted. The Directors may vary or terminate any such authorisation at any time, but this will not affect anything done by the Director in question prior to such variation or termination, in accordance with the terms of such authorisation.

For the purposes of these articles, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.

- 15.2 A Director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his relationship with that other person gives rise to a Conflict, this article applies only if the existence of that relationship has been approved by the Directors pursuant to articles 15.1. In particular, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 CA 2006 (inclusive) because he fails:-

- (a) to disclose any such information to the board or to any Director or other officer or employee of the Company; and/or

- (b) to use or apply any such information in performing his duties as a Director of the Company.

15.3 Where the existence of a Director's relationship with another person has been approved by the board pursuant to article 15.1 and his relationship with that person gives rise to a Conflict, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 (inclusive) because he:

- (a) absents himself from meetings of the board at which any matter relating to the Conflict will or may be discussed or from the discussion of any such matter at a meeting or otherwise; and/or
- (b) makes arrangements not to receive documents and information relating to any matter which gives rise to any Conflict sent or supplied by the Company and/or such document and information to be received and read by a professional advisor

For so long as reasonably believes such Conflict subsists.

15.4 The provisions of articles 15.2 and 15.3 are without prejudice to any equitable principle or rule of law which may excuse the Director from:

- (a) disclosing information, in circumstances where disclosure would otherwise be required under these articles' or
- (b) attending meetings or discussions or receiving documents and information as referred to in article 15.3, in circumstances where such attendance or receipt of such documents and information would otherwise be required under these articles.

15.5 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.

16. RECORDS OF DECISIONS TO BE KEPT

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.

17. 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.

18. APPOINTMENT OF DIRECTORS

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.

19. DIRECTORS EXPENSES

Article 20 of the Model Articles is amended by:-

- (a) The deletion of the word "may" and insertion of the word "must" in its place before the words "pay any reasonable expenses"; and
- (b) The insertion of the words "(including alternate Directors) and the secretary" before the words "properly incur".

SHARES AND DISTRIBUTIONS

20. DIRECTORS AUTHORITY TO ALLOT SHARES

For so long as the Company has only class of shares in issue, the Directors may exercise any power of the Company to allot shares of that class or to grant rights to subscribe for, or to convert any security into such shares.

21. EXCLUSION OF STATUTORY PRE-EMPTION RIGHTS

- 21.1 In accordance with section 567(1) of CA 2006, sections 561 and 562 of CA 2006 shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.
- 21.2 Unless otherwise agreed by special resolution, 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:

- (a) 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
- (b) 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.

21.3 Any equity securities not accepted by shareholders pursuant to the offer made to them in accordance with article 21.2 shall be used for satisfying any requests for Excess Securities made pursuant to article 21.2. 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 21.2 (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.

21.4 Subject to articles 21.2 and 21.3 and to section 551 CA 2006, 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.

21.5 No shares shall be allotted to any employee, Director, prospective employee or Director unless such person has entered into a joint election with the Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

22. POWER TO PURCHASE OWN SHARES OUT OF CAPITAL

22.1 Subject to CA 2006 but without prejudice to any other provision of these articles the Company is authorised in accordance with section 692(1ZA) CA 2006 to purchase its out of capital, otherwise in accordance with Chapter 5 of Part 18 CA 2006, up to an aggregate purchase price in a Financial Year of the lower of:

- (a) £15,000; and
- (b) the nominal value of 5% of the Company's fully paid share capital at the beginning of each Financial Year.

- 22.2 The Company shall immediately cancel any shares, acquired pursuant to this article 22.

23. COMPANY'S LIEN OVER SHARES

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

- 23.2 The Company's Lien over a share:

- (a) takes priority over any third party's interest in that share; and
- (b) extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the share is sold by the Company) the proceeds of sale of that share.

- 23.3 The Directors may at any time decide that a share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.

24. ENFORCEMENT OF THE COMPANY'S LIEN

- 24.1 Subject to the provisions of this article, if:

- (a) a lien enforcement notice has been given in respect of a share; and
- (b) the person to whom the notice was given has failed to comply with it,

the Company may sell that share in such manner as the Directors decide.

- 24.2 A lien enforcement notice:

- (a) may only be given in respect of a share which is subject to the Company's Lien and in respect of a sum payable to the Company for which the due date for payment has passed;
- (b) must specify the share concerned;
- (c) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
- (d) must be addressed either to the holder of the share or to a transmittee of that holder; and

- (e) must state the Company's intention to sell the share if the notice is not complied with.

24.3 Where Shares are sold under this article:

- (a) the Directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or to a person nominated by the purchaser; and
- (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

24.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the Company's Lien) must be applied:

- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice; and
- (b) second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the shares before the sale for any money payable by that person (or his estate or any joint holder of the shares) after the date of the lien enforcement notice.

24.5 A statutory declaration by a Director or the Company secretary that the declarant is a Director or the Company secretary and that a share has been sold to satisfy the Company's Lien on a specified date:

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
- (b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.

25. CALL NOTICES

25.1 Subject to the articles and to the terms on which shares are allotted, the Directors may send a notice (**Call Notice**) to a shareholder requiring the shareholder to pay the Company a specified sum of money (**Call**) which is payable in respect of shares in the Company held by that shareholder at the date when the Directors decide to send the Call Notice.

25.2 A Call Notice:

- (a) may not require a shareholder to pay a Call which exceeds the total sum unpaid on that shareholder's shares (whether in respect of nominal value or premium);
 - (b) must state when and how any Call to which it relates is to be paid; and
 - (c) may permit or require the Call to be made in instalments.
- 25.3 *A shareholder must comply with the requirements of a Call Notice, but no shareholder is obliged to pay any Call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent.*
- 25.4 Before the Company has received any Call due under a Call Notice the Directors may:
 - (a) revoke it wholly or in part; or
 - (b) specify a later time for payment than is specified in the notice,

by a further notice in writing to the shareholder in respect of whose shares the Call is made.
- 26. LIABILITY TO PAY CALLS**
- 26.1 *Liability to pay a Call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.*
- 26.2 Joint holders of a share are jointly and severally liable to pay all Calls in respect of that share.
- 26.3 Subject to the terms on which shares are allotted, the Directors may, when issuing shares, provide that Call Notices sent to the holders of those shares may require them:
 - (a) to pay Calls which are not the same; or
 - (b) to pay Calls at different times.
- 27. WHEN CALL NOTICE NEED NOT BE ISSUED**
- 27.1 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the Company in respect of that share (whether in respect of nominal value or premium):
 - (a) on allotment;
 - (b) on the occurrence of a particular event; or

(c) on a date fixed by or in accordance with the terms of issue.

27.2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a Call Notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

28. FAILURE TO COMPLY WITH CALL NOTICE: AUTOMATIC CONSEQUENCES

28.1 If a person is liable to pay a Call and fails to do so by the call payment date:

- (a) the Directors may issue a notice of intended forfeiture to that person; and
- (b) until the Call is paid, that person must pay the Company interest on the Call from the call payment date at the relevant rate.

28.2 For the purposes of this article:

- (a) the "call payment date" is, subject to article 28.3, the time when the Call Notice states that a Call is payable, unless the Directors give a notice specifying a later date, in which case the "call payment date" is that later date; and
- (b) the "relevant rate" is
 - (i) the rate fixed by the terms on which the share in respect of which the Call is due was allotted;
 - (ii) such other rate as was fixed in the Call Notice which required payment of the Call, or has otherwise been determined by the Directors; or
 - (iii) if no rate is fixed in either of these ways, 5% per annum.

28.3 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.

28.4 The Directors may waive any obligation to pay interest on a Call wholly or in part.

29. NOTICE OF INTENDED FORFEITURE

A notice of intended forfeiture:

- (a) may be sent in respect of any share in respect of which a Call has not been paid as required by a Call Notice;

- (b) must be sent to the holder of that share (or all the joint holders of that share) or to a transmittee of that holder;
- (c) must require payment of the Call and any accrued interest [and all expenses that may have been incurred by the Company by reason of such non-payment] by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
- (d) must state how the payment is to be made; and
- (e) must state that if the notice is not complied with, the shares in respect of which the Call is payable will be liable to be forfeited.

30. DIRECTORS' POWER TO FORFEIT SHARES

If a notice of intended forfeiture is not complied with before the date by which payment of the Call is required in the notice of intended forfeiture, the Directors may decide that any share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

31. EFFECT OF FORFEITURE

31.1 Subject to the articles, the forfeiture of a share extinguishes:

- (a) all interests in that share, and all claims and demands against the Company in respect of it; and
- (b) all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the Company.

31.2 Any share which is forfeited in accordance with the articles:

- (a) is deemed to have been forfeited when the Directors decide that it is forfeited;
- (b) is deemed to be the property of the Company; and
- (c) may be sold, re-allotted or otherwise disposed of as the Directors think fit.

31.3 If a person's shares have been forfeited:

- (a) the Company must send that person notice that forfeiture has occurred and record it in the register of shareholders;
- (b) that person ceases to be a shareholder in respect of those shares;
- (c) that person must surrender the certificate for the shares forfeited to the Company for cancellation;

- (d) that person remains liable to the Company for all sums payable by that person under the articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture); and
- (e) the Directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

31.4 At any time before the Company disposes of a forfeited share, the Directors may decide to cancel the forfeiture on payment of all Calls, interest and expenses due in respect of it and on such other terms as they think fit.

32. PROCEDURE FOLLOWING FORFEITURE

32.1 If a forfeited share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the Directors may authorise any person to execute the instrument of transfer.

32.2 A statutory declaration by a Director or the Company secretary that the declarant is a Director or the Company secretary and that a share has been forfeited on a specified date:

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
- (b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.

32.3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share.

32.4 If the Company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which:

- (a) was, or would have become, payable; and
- (b) had not, when that share was forfeited, been paid by that person in respect of that share,

but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.

33. SURRENDER OF SHARES

33.1 A shareholder may surrender any share:

- (a) in respect of which the Directors may issue a notice of intended forfeiture;
- (b) which the Directors may forfeit; or
- (c) which has been forfeited.

33.2 The Directors may accept the surrender of any such share.

33.3 The effect of surrender on a share is the same as the effect of forfeiture on that share.

33.4 A share which has been surrendered may be dealt with in the same way as a share which has been forfeited.

34. SHARE TRANSFERS

34.1 In article 26(5) of the Model Articles, the word “may” after the words “The Directors” is deleted and replaced with the word “must” and the words “unless the transfer is made in accordance with this article 34 or any other agreement (entered into between the members) governing the transfer of shares and shall not have any discretion to register any transfer of shares which has not been made in compliance with this article 34 or any other such agreement referred to above” are inserted after the words “the transfer of a share” and the words “if they do so” are to be deleted.

35. TRANSMISSION OF SHARES

Article 27(3) of the Model Articles is amended by the insertion of the words “subject to article 16” after the word “But”.

36. TRANSMITTEES BOUND BY PRIOR NOTICES

Article 29 of the Model Articles is amended by the insertion of the words “or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)” after the words “the transmittee’s name”.

37. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

Articles 31(a) to (c) (inclusive) of the Model Articles are amended by the deletion, in each case, of the words "either" and "or as the Directors may otherwise decide" and Article 31(d) of the Model Articles is amended by the deletion of the words "either" and "or by such other means as the Directors decide".

DECISION-MAKING BY SHAREHOLDERS

38. QUORUM FOR GENERAL MEETINGS

38.1 If the Company has only one shareholder, one qualifying person present at a meeting is a quorum.

38.2 If the Company has more than one shareholder, two qualifying persons present at a meeting is a quorum, unless each is a representative of a corporation or each is appointed as proxy of a shareholder and they are representatives of the same corporation or are proxies of the same shareholder.

38.3 For the purposes of these articles, a "qualifying person" is:

- (a) An individual who is a shareholder of the Company;
- (b) A person authorised to act as the representative of a corporation in relation to the meeting; or
- (c) A person appointed as proxy of a shareholder in relation to the meeting.

39. POLL VOTES

39.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of CA 2006) present and entitled to vote at the meeting.

39.2 Article 44(3) of the Model Articles 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.

40. PROXIES

40.1 Article 45(1)(d) of the Model Articles 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".

- 40.2 Article 45(1) of the Model Articles 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 article.

ADMINISTRATIVE ARRANGEMENTS

41. MEANS OF COMMUNICATION TO BE USED

- 41.1 Subject to article 41.3, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- (b) if sent by fax, at the time of transmission; or
- (c) if sent by pre-paid first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the *second Business Day after posting*; or
- (d) if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the *fifth Business Day after posting*; or
- (e) if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- (f) if sent or supplied by email, one hour after the notice, document or information was sent or supplied; or
- (g) 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; and
- (h) if deemed receipt under the previous paragraphs of this article 41.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 on the day when business next starts in the place of deemed receipt. For the purposes of this article, all references to time are to local time in the place of deemed receipt.

- 41.2 To prove service, it is sufficient to prove that:

- (a) if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
- (b) if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
- (c) if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or
- (d) if sent by email, the notice was properly addressed and sent to the email address of the recipient.

41.3 In proving that any notice, document or information was properly addressed, it will suffice to show that the notice, document or information was addressed to an address permitted for the purpose by CA 2006.

42. INDEMNITY AND INSURANCE

42.1 Subject to article 42.2, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled:

- (a) each Relevant Officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer:
 - (i) in the actual or purported execution and/or discharge of his duties, or in relation thereto ; and
 - (ii) in relation to the Company's activities as trustee of an occupational pension scheme (as defined in section 235(6) of CA 2006),

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 affairs; and

- (b) the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 42.1 and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure.

- 42.2 This article 42 does not authorise any indemnity which would be prohibited or rendered void by any provision of CA 2006 or by any other provision of law.
- 42.3 *The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any Relevant Loss.*
- 42.4 In this article 42:
- (a) **Relevant Loss** means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to the Company or any pension fund or employees' share scheme of the Company; and
 - (b) **Relevant Officer** means any Director or other officer or former Director or other officer of the Company but excluding in each case any person engaged by the Company as auditor (whether or not he is also a Director or other officer), to the extent he acts in his capacity as auditor.