

DATED

2022

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION OF
PRIME PEOPLE LIMITED

**(ADOPTED BY SPECIAL RESOLUTION PASSED ON
[•] 2022)**

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INTRODUCTION

1 INTERPRETATION

1.1 In these Articles, unless the context otherwise requires:

A Shares	A ordinary shares of 10 pence each in the Company
Act	the Companies Act 2006
Alternate Director	has the meaning given in Article 12.1
Appointor	has the meaning given in Article 12.1
Articles	the articles of association of the Company for the time being in force
Asset Match	Asset Match Limited (07681197), an online platform for the trading of shares in unquoted and private companies (or any successor company or platform providing similar services appointed by the Company from time to time)
B Shares	B ordinary shares of 10 pence each in the Company
Board	the board of directors for the time being of the Company or the directors present or deemed to be present at a duly convened quorate meeting of the directors of the Company
Business Day	any day (except Saturdays and Sundays) when clearing banks are open for business in London
C Shares	C ordinary shares of 10 pence each in the Company
Certificated Shares	a share which is not an Uncertificated Share, and references in these Articles to a share being held in certificated form shall be construed accordingly
Change of Control	the acquisition by a third party of more than 50% of the issued share capital of the Company, as the same may be amended by Article 24.1

Companies Acts	every statute (including any orders, regulations or other subordinate legislation made under it) from time to time in force concerning companies in so far as it applies to the Company
Conflict	has the meaning given in Article 7.1
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)
Encumbrance	any interest or equity of any person (including any right to acquire, option, right of pre-emption or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement)
Model Articles	the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (<i>SI 2008/3229</i>) as amended prior to the date of adoption of these Articles
Operator	Euroclear UK and Ireland Limited or such other person as may for the time being be approved by HM Treasury as Operator under the Uncertificated Securities Rules
Ordinary Shares	ordinary shares of 10 pence each in the Company
Register	the register of members of the Company to be maintained under the Act
Relevant System	a computer-based system which allows units of securities without written instruments to be transferred and endorsed pursuant to the Uncertificated Securities Rules
Shares	A Shares, B Shares, C Shares and Ordinary Shares
Uncertificated Securities Rules	any provision of the Companies Acts relating to the holding, evidencing of title to,

or transfer of Uncertificated Shares and any legislation, rules or other arrangements made under or by virtue of such provision

Uncertificated Share

a share of a class which is at the relevant time a participating class, title to which is recorded on the Register as being held in uncertificated form and references in these Articles to a share being held in uncertificated form shall be construed accordingly

- 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 Articles 8, 9(1) and (3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17, 24, 52 and 53 of the Model Articles shall not apply to the Company.
- 1.9 Article 7 of the Model Articles 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 Article 20 of the Model Articles shall be amended by the insertion of the words “(including Alternate Directors) and the secretary” before the words “properly incur”.
- 1.11 Article 27(3) of the Model Articles shall be amended by the insertion of the words “, subject to Article 10,” after the word “But”.
- 1.12 Article 29 of the Model Articles shall be amended by the insertion of the words “, or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2),” after the words “the transmittee’s name”.
- 1.13 Articles 31(1)(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words “either”, “or as the directors may otherwise decide” and “or by such other means as the directors decide”.

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.

3 CALLING A DIRECTORS’ MEETING

Any director may call a directors’ meeting by giving notice of the meeting (personally or by telephone or email) to the directors or by authorising the company secretary (if any) to give such notice.

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, such directors to include at least one director nominated by the holders of the A Shares and one director nominated by the holders of the B Shares.
- 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**

At a meeting of directors, the chairman or director chairing the meeting or any other person shall not have a casting vote if the numbers of votes for and against a proposal are equal.

6 **TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

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

6.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;

6.1.2 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;

6.1.3 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;

6.1.4 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;

6.1.5 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

6.1.6 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 the matter in question shall have been proposed by any director for consideration at a meeting of directors in the same way that any other matter may be proposed to the directors for consideration at a meeting under the provisions of these Articles;
 - 7.2.2 any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the Interested Director; and
 - 7.2.3 the matter was agreed to without his voting or would have been agreed to if the vote of the Interested Director 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 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 affairs of the Company 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 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 voided on such grounds.

8 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.

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 OF DIRECTORS

- 10.1 The provisions of Articles 16.1.1 and 16.1.2 shall apply to the appointment of directors. Any other directors appointed shall be non-voting directors, and therefore not entitled to a vote on any matter at a board meeting or any committee meeting thereof.
- 10.2 In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) has 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.

11 POWER OF BOARD TO APPOINT DIRECTORS

Subject to these Articles, the Board shall have power at any time to appoint any person who is willing to act as a director, either to fill a vacancy or as an addition to the existing Board but the total number of directors shall not exceed any maximum number fixed in accordance with these Articles.

12 APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

12.1 Any director (**Appointor**) may appoint any other director, or any other person approved by resolution by the directors as an alternate (**Alternate Director**), to:

12.1.1 exercise that director's powers; and

12.1.2 carry out that director's responsibilities,

in relation to the taking of decisions by the directors, in the absence of the Alternate Director's Appointor.

12.2 Any appointment or removal of an Alternate Director must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the directors.

12.3 The notice must:

12.3.1 identify the proposed Alternate Director; and

12.3.2 in the case of a notice of appointment, contain a statement signed by the proposed Alternate Director that the proposed Alternate Director is willing to act as the Alternate Director of the director giving the notice.

13 RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

13.1 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 Director's Appointor.

13.2 Except as the Articles specify otherwise, Alternate Directors:

13.2.1 are deemed for all purposes to be directors;

13.2.2 are liable for their own acts and omissions;

13.2.3 are subject to the same restrictions as their Appointor; and

13.2.4 are not deemed to be agents of or for their Appointor,

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.

13.3 A person who is an Alternate Director but not a director:

13.3.1 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);

13.3.2 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

13.3.3 shall not be counted as more than one director for the purposes of Article 13.3.1 and Article 13.3.2.

13.4 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).

13.5 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 remuneration of the Alternate Director's Appointor as the Appointor may direct by notice in writing made to the Company.

14 **TERMINATION OF ALTERNATE DIRECTORSHIP**

An Alternate Director's appointment as an Alternate Director terminates:

14.1.1 when the Alternate Director's Appointor revokes the appointment by giving written notice of the same to the Company specifying when it is to terminate;

14.1.2 on the occurrence, in relation to the Alternate Director, of any event which, if it occurred in relation to the Alternate Director's Appointor, would result in the termination of the appointment of the Appointor as a director;

14.1.3 on the death of the Alternate Director's Appointor; or

14.1.4 when appointment of the Alternate Director's Appointor terminates.

15 **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 RIGHTS AND DISCLOSURE OF INTEREST

16 **SHARE CAPITAL AND RIGHTS**

The share capital of the Company comprises Ordinary Shares, A Shares, B Shares and C Shares. Save as set out in these Articles each class of share shall have the same rights. The rights and provisions applicable to these classes of share are set out below:

16.1 Appointment of directors

16.1.1 The holders of the A Shares shall have the right to nominate, have appointed and maintain in office up to two persons as directors of the Company and to remove any such director so appointed and, upon that person's removal, to appoint another person to act as a director in their place.

16.1.2 The holders of the B Shares shall have the right to nominate, have appointed and maintain in office up to two persons as directors of the Company and to remove any such director so appointed and, upon that person's removal, to appoint another person to act as a director in their place.

16.2 Voting rights

16.2.1 The holders of A Shares, B Shares and Ordinary Shares shall be entitled to receive notice of, and to attend at, general meetings of the Company and shall be entitled to vote upon any resolution at general meetings of the Company or proposed as a written resolution.

16.2.2 The holders of C Shares shall not be entitled to receive notice of, or to attend at, general meetings of the Company and shall not be entitled to vote upon any resolution at general meetings of the Company or proposed as a written resolution.

16.3 Transfer of shares/Encumbrances

Subject to Article 16.4.1:

16.3.1 save with the prior written consent of the B Shares (such consent not to be unreasonably withheld or delayed), A Shares will automatically convert to Ordinary Shares on transfer to a party other than to a person who is already a holder of A Shares. No holder of A Shares shall create or allow or suffer to be created, any Encumbrance over, transfer or otherwise dispose of or give any person any right in or over any A Share or any interest in any A Share, except with the prior written consent of the B Shares, and on any creation of any Encumbrance without such consent, such A Shares shall automatically convert to C Shares.

16.3.2 save with the prior written consent of the A Shares (such consent not to be unreasonably withheld or delayed), B Shares will automatically convert to Ordinary Shares on transfer to a party other than to a person who is already a holder of B Shares. No holder of B Shares shall create any Encumbrance over, transfer or otherwise dispose of or give any person any right in or over any B Share or any interest in any B Share, except with the prior written consent of the A Shares, and on any creation of any Encumbrance without such consent, such B Shares shall automatically convert to C Shares.

16.3.3 C Shares shall not be transferred to a third party without the prior written consent of the A Shares and B Shares.

16.4 Change of Control

16.4.1 All Shares will automatically convert to Ordinary Shares on a Change of Control.

16.5 Asset Match

16.5.1 Ordinary Shares shall be tradable on Asset Match. A Shares, B Shares and C Shares shall not be tradable on Asset Match.

16.6 Acting by Majority

16.6.1 Each class of A Shares, B Shares, C Shares and Ordinary Shares shall act by a majority of such shares held.

16.7 A Shares and B Shares

16.7.1 Save or expressly provided elsewhere in this Article 16, any shares issued and allotted to, or transferred to transmitted to, a holder of A Shares shall automatically be designated (or re-designated, as the case may be) as A Shares and any Shares issued and allotted to, or transferred or transmitted to, a holder of B Shares shall automatically be designated (or redesignated, as the case may be) as B Shares.

17 **DISCLOSURE OF INTERESTS IN SHARES**

17.1 If a member, or any other person appearing to be interested in shares held by that member, has been issued with a notice under section 793 of the Act (**Section 793 Notice**) and has failed in relation to any shares (**Default Shares**, which expression includes any shares issued after the date of such notice in right of those shares) to give the Company the information required by the Section 793 Notice within the prescribed period from the service of the notice, the following sanctions shall apply unless the Board determines otherwise:

17.1.1 the member shall not be entitled in respect of the Default Shares to be present or to vote (either in person or by representative or proxy) at any general meeting or at any separate meeting of the holders of any class of shares or on any poll or to exercise any other right conferred by membership in relation to any such meeting or poll; and

17.1.2 where the Default Shares represent at least 0.25% in nominal value of the issued shares of their class (calculated exclusive of any shares held as treasury shares):

(a) any dividend or other money payable for such shares shall be withheld by the Company, which shall not have any obligation to pay interest on it (and the Company shall be entitled to retain any such dividend or other money unless the sanctions cease to have effect within 3 years from being applied); and

(b) no transfer, other than an excepted transfer, of any shares held by the member shall be registered unless the member themselves are not in default of supplying the required information and the member proves to the satisfaction of the Board that no person in default of

supplying such information is interested in any of the shares that are the subject of the transfer.

- 17.1.3 For the purposes of ensuring Article 17.1.2(b) can apply to all shares held by the member, the Company may in accordance with the uncertificated securities rules, issue a written notification to the Operator requiring conversion into certificated form of any share held by the member in uncertificated form.
- 17.2 Where the sanctions under Article 17.1 apply in relation to any shares, they shall cease to have effect (and any dividends withheld under Article 17.1.2 shall become payable):
- 17.2.1 if the shares are transferred by means of an excepted transfer but only in respect of the shares transferred; or
- 17.2.2 at the end of the period of seven days (or such shorter period as the Board may determine) following receipt by the Company of the information which would be required by the Section 793 Notice and the Board being fully satisfied that such information is full and complete.
- 17.3 Where, on the basis of information obtained from a member in respect of any share held by them, the Company issues a Section 793 Notice to any other person, it shall at the same time send a copy of the notice to the member, but the accidental omission to do so, or the non-receipt by the member of the copy, shall not invalidate or otherwise affect the application of Article 17.1.
- 17.4 For the purposes of this Article:
- 17.4.1 a person, other than the member holding a share, shall be treated as appearing to be interested in that share if the member has informed the Company that the person is, or may be, so interested, or if the Company (after taking account of any information obtained from the member or, pursuant to a Section 793 Notice, from anyone else) knows or has reasonable cause to believe that the person is, or may be, so interested;
- 17.4.2 **interested** shall be construed as it is for the purpose of section 793 of the Act;
- 17.4.3 reference to a person having failed to give the Company the information required by a notice, or being in default as regards supplying such information, includes reference:
- (a) to the person's having failed or refused to give all of any part of it; and
- (b) to the person's having given information which they know to be false in a material particular or having recklessly given information which is false in a material particular;
- 17.4.4 **prescribed period** means 14 days;

17.4.5 **excepted transfer** means, in relation to any shares held by a member:

- (a) a transfer by way of or pursuant to acceptance of a takeover offer for the Company (within the meaning of section 974 of the Act); or
- (b) a transfer in consequence of a sale made through a recognised investment exchange (as defined in section 285 of the FSMA) or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded; or
- (c) a transfer which is shown to the satisfaction of the Board to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares.

17.5 Nothing contained in this Article shall be taken to limit the powers of the Company under section 794 of the Act.

17.6 The provision of this Article and section 793 of the Act shall continue and be deemed to apply to the Company notwithstanding that it is a private limited company.

DECISION MAKING BY SHAREHOLDERS

18 ANNUAL GENERAL MEETING

The Board shall convene and the Company shall hold an annual general meeting every year.

19 POLL VOTES

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.

20 PROXIES

20.1 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".

20.2 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.

SHARES

21 PURCHASE OF OWN SHARES

Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act.

22 SHARE CERTIFICATES

22.1 Every person (except a person to whom the Company is not by law required to issue a certificate) whose name is entered in the Register as a holder of any Certificated Shares shall be entitled, without charge, to receive within the time limits prescribed by the Companies Acts (unless the terms of issue prescribe otherwise) one certificate for all of the shares of that class registered in his name.

22.2 The Company shall not be bound to issue more than one certificate in respect of shares held jointly by two or more persons. Delivery of a certificate to the person first named in the Register shall be sufficient delivery to all joint holders.

22.3 Where a member has transferred only part of the shares comprised in a certificate, he shall be entitled without charge to a certificate for the balance of such shares to the extent that the balance is to be held in certificated form. Where a member receives more shares of any class, he shall be entitled without charge to a certificate for the extra shares of that class to the extent that the balance is to be held in certificated form.

22.4 A share certificate may be issued under seal (by affixing the seal to or printing the seal or a representation of it on the certificate) or signed by at least two directors or by at least one director and the secretary. Such certificate shall specify the number and class of the shares in respect of which it is issued and the amount or respective amounts paid up on it. The Board may by resolution decide, either generally or in any particular case or cases, that any signatures on any share certificates need not be autographic but may be applied to the certificates by some mechanical or other means or may be printed on them or that the certificates need not be signed by any person.

22.5 Every share certificate sent in accordance with these Articles will be sent at the risk of the member or other person entitled to the certificate. The Company will not be responsible for any share certificate lost or delayed in the course of delivery.

23 UNCERTIFICATED SHARES

23.1 Under and subject to the Uncertificated Securities Rules, the Board may permit title to shares of any class to be evidenced otherwise than by certificate and title to shares of such a class to be transferred by means of a Relevant System and may make arrangements for a class of shares (if all shares of that class are in all respects identical) to become a participating class. Title to shares of a particular class may only be evidenced otherwise than by a certificate where that class of shares is at the relevant time a participating class. The Board may also, subject to compliance with the Uncertificated Securities Rules, determine at any time that title to any class of shares

may from a date specified by the Board no longer be evidenced otherwise than by a certificate or that title to such a class shall cease to be transferred by means of any particular Relevant System.

23.2 In relation to a class of shares which is a participating class and for so long as it remains a participating class, no provision of these Articles shall apply or have effect to the extent that it is inconsistent in any respect with:

23.2.1 the holding of shares of that class in uncertificated form;

23.2.2 the transfer of title to shares of that class by means of a Relevant System;
or

23.2.3 any provision of the Uncertificated Securities Rules;

and, without prejudice to the generality of this Article, no provision of these Articles shall apply or have effect to the extent that it is in any respect inconsistent with the maintenance, keeping or entering up by the Operator, so long as that is permitted or required by the Uncertificated Securities Rules, of an Operator register of securities in respect of that class of shares in uncertificated form.

23.3 Shares of a class which is at the relevant time a participating class may be changed from uncertificated to certificated form, and from certificated to uncertificated form, in accordance with and subject as provided in the Uncertificated Securities Rules.

23.4 If, under these Articles or the Companies Acts, the Company is entitled to sell, transfer or otherwise dispose of, forfeit, re-allot, accept the surrender of or otherwise enforce a lien over an Uncertificated Share, then, subject to these Articles and the Companies Acts, such entitlement shall include the right of the Board to:

23.4.1 require the holder of the Uncertificated Share by notice in writing to change that share from uncertificated to certificated form within such period as may be specified in the notice and keep it as a certificated share for as long as the Board requires;

23.4.2 appoint any person to take such other steps, by instruction given by means of a Relevant System or otherwise, in the name of the holder of such share as may be required to effect the transfer of such share and such steps shall be as effective as if they had been taken by the registered holder of that share; and

23.4.3 take such other action that the Board considers appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of that share or otherwise to enforce a lien in respect of that share.

23.5 Unless the Board determines otherwise, shares which a member holds in uncertificated form shall be treated as separate holdings from any shares which that member holds in certificated form but a class of shares shall not be treated as two

classes simply because some shares of that class are held in certificated form and others in uncertificated form.

- 23.6 Unless the Board determines otherwise or the Uncertificated Securities Rules require otherwise, any shares issued or created out of or in respect of any Uncertificated Shares shall be Uncertificated Shares and any shares issued or created out of or in respect of any Certificated Shares shall be Certificated Shares.
- 23.7 The Company shall be entitled to assume that the entries on any record of securities maintained by it in accordance with the Uncertificated Securities Rules and regularly reconciled with the relevant Operator register of securities are a complete and accurate reproduction of the particulars entered in the Operator register of securities and shall accordingly not be liable in respect of any act or thing done or omitted to be done by or on behalf of the Company in reliance on such assumption. Any provision of these Articles which requires or envisages that action will be taken in reliance on information contained in the Register shall be construed to permit that action to be taken in reliance on information contained in any relevant record of securities (as so maintained and reconciled).

24 **DRAG ALONG**

- 24.1 If the holders of Shares in issue for the time being (**Selling Shareholders**) wish to transfer all (but not some only) of their Shares (**Sellers' Shares**) to a bona fide purchaser for value on arm's length terms (**Proposed Buyer**) which would constitute a Change of Control, the Selling Shareholders may require all other Shareholders (**Called Shareholders**) to sell and transfer all their shares (**Called Shares**) to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article (**Drag Along Option**) Provided that (i) this Article may not be exercised by the Selling Shareholders before the fifth anniversary of the date of adoption of this Article (the **Fifth Anniversary**) without the prior written consent of each class of the A Shares and the B Shares and (ii) after the Fifth Anniversary, the prior written consent of each class of the A Shares and the B Shares shall not be required and the definition of Change of Control shall be changed to: "acquisition by a third part of more than 30% of the issued share capital of the Company".
- 24.2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholders (**Drag Along Notice**) at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify:
- 24.2.1 that the Called Shareholders are required to transfer all their Called Shares pursuant to this Article 24;
 - 24.2.2 the person to whom the Called Shares are to be transferred;
 - 24.2.3 the purchase price payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per share offered by the Proposed Buyer for the Sellers' Shares; and

- 24.2.4 the proposed date of the transfer.
- 24.3 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 60 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.
- 24.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 24.
- 24.5 Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Sellers' Shares unless:
- 24.5.1 all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Selling Shareholders; or
- 24.5.2 that date is less than 60 Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the date proposed for Completion.
- 24.6 On or before the Completion Date, the Called Shareholders shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company, or equivalent for uncertificated securities. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts due pursuant to Article 24.2.3 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 Called Shareholders on trust for the Called Shareholders without any obligation to pay interest.
- 24.7 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this article 24 in respect of their Shares.
- 24.8 If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with this Article 24) transfer(s) in respect of all of the Called Shares held by it, each defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be its agent to execute all necessary transfer(s) on its behalf, against receipt by the Company (on trust for such holder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as it may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been

registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of shares under this Article 24.

- 24.9 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares (a **New Shareholder**), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all Shares acquired by it to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 24 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the Shares shall take place on the Completion Date or immediately upon the New Shareholder becoming a Shareholder of the Company, if later.

25 TAG ALONG RIGHTS ON A CHANGE OF CONTROL

- 25.1 The provisions of Articles 25.2 to 25.5 shall apply if, in one or a series of related transactions, one or more Sellers propose to transfer any of the Shares (**Proposed Transfer**) which would, if carried out, result in any person (**Buyer**), and any person acting in concert (within the meaning of the Takeover Code) with the Buyer, acquiring a Change of Control in the Company.
- 25.2 Before making a Proposed Transfer, a Seller shall procure that the Buyer makes an offer (**Offer**) to the other Shareholders to purchase all of the Shares held by them for a consideration in cash per Share that is at least equal to the highest price per Share offered or paid by the Buyer, or any person Acting in Concert with the Buyer, in the Proposed Transfer or in any related previous transaction in the twelve months preceding the date of the Proposed Transfer (**Specified Price**).
- 25.3 The Offer shall be made by written notice (**Offer Notice**), at least 10 Business Days before the proposed sale date (**Sale Date**). To the extent not described in any accompanying documents, the Offer Notice shall set out:
- 25.3.1 the identity of the Buyer;
 - 25.3.2 the Specified Price and other terms and conditions of payment;
 - 25.3.3 the Sale Date; and
 - 25.3.4 the number of Shares proposed to be purchased by the Buyer (**Offer Shares**).
- 25.4 If the Buyer fails to make the Offer to all of the holders of Shares in the Company in accordance with Article 25.2 and Article 25.3, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer.

25.5 If the Offer is accepted by any Shareholder (**Accepting Shareholder**) in writing within 10 Business Days of receipt of the Offer Notice, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders.

26 **FORM OF TRANSFER**

26.1 Subject to these Articles:

26.1.1 each member may transfer all or any of his shares which are in certificated form by instrument of transfer in writing in any usual form or in any form approved by the Board. Such instrument shall be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee. All instruments of transfer, when registered, may be retained by the Company.

26.1.2 each member may transfer all or any of his shares which are in uncertificated form by means of a Relevant System in such manner provided for, and subject as provided in, the Uncertificated Securities Rules. No provision of these Articles shall apply in respect of an Uncertificated Share to the extent that it requires or contemplates the effecting of a transfer by an instrument in writing or the production of a certificate for the share to be transferred.

26.2 The transferor of a share shall be deemed to remain the holder of the share concerned until the name of the transferee is entered in the Register in respect of it.

ADMINISTRATIVE ARRANGEMENTS

27 **MEANS OF COMMUNICATION TO BE USED**

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

27.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 24 hours after it was posted (or 48 hours 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 48 hours was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);

27.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;

27.1.3 if properly addressed and sent or supplied by electronic means, 1 hour after the document or information was sent or supplied; and

27.1.4 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.

27.2 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.

28 INDEMNITY

28.1 Subject to Article 28.2 but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

28.1.1 each relevant officer shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:

(a) in the actual or purported execution and/or discharge of his duties, or in relation to them; and

(b) in relation to the activities of the Company (or any activities of an associated company) as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

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 affairs of the Company (or any affairs of an associated company); and

28.1.2 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 28.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

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

28.3 In this Article:

28.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

28.3.2 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), 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).

29 **INSURANCE**

29.1 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.

29.2 In this article:

29.2.1 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);

29.2.2 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

29.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

30 **ACCOUNTS**

A copy of every balance sheet and profit and loss account (including any documents required by law to be annexed thereto) which is to be laid before the Company in general meeting and of the directors’ and auditors’ reports shall, at least 14 days previously to the meeting, be delivered or sent to every member and to every debenture holder of the Company of whose address the Company is aware, and to every other person who is entitled to receive notice of meetings from the Company under the provisions of the Companies Acts or of these Articles or, in the case of joint holders of any share or debenture, to one of the joint holders, provided that the requirements of this Article shall be deemed satisfied in relation to any member by sending to such member, where permitted by the Companies Acts and instead of such copies, a strategic report with supplementary material as set out in sections 426 and 426A of the Act.