

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION OF**  
**CFC 2001 LTD (the "Company")**

Adopted by special resolution on 10/10/2024

**1. PRELIMINARY**

- 1.1 The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No. 805) as amended (such Table being hereinafter called "**Table A**") shall apply to the Company save in so far as they are excluded or varied hereby and such regulations (save as so excluded or varied) and the articles hereinafter contained shall be the Articles.
- 1.2 In these Articles the expression the "**Act**" means the Companies Act 2006, but so that any reference in these Articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.
- 1.3 In these Articles, unless the context otherwise requires, the following expressions shall have the following meanings:

<b>A &amp; B Consent</b>	the prior written consent of, together, the A Majority and the B Majority;
<b>A &amp; B Majority</b>	the holder(s) for the time being of a majority of, together, the A Shares and the B Shares;
<b>A Consent</b>	the prior written consent of the A Majority;
<b>A Majority</b>	the holder(s) for the time being of a majority of the A Shares;
<b>A Shares</b>	the A ordinary shares of £0.25 each in the share capital of the Company and includes any interest in any such shares, having the rights, restrictions, privileges and conditions set out in these Articles;
<b>Articles</b>	the articles of association of the Company, whether as originally adopted or as from time to time altered by special or written resolution;
<b>B Consent</b>	the prior written consent of the B Majority;
<b>B Majority</b>	the holder(s) for the time being of a majority of the B Shares;
<b>B Shares</b>	the B ordinary shares of £0.04 each in the share capital of the Company and includes any interest in any such shares, having the rights, restrictions, privileges and conditions set out in these Articles;

<b>Business Day</b>	a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday);
<b>Family Trust</b>	as regards any particular individual member or deceased or former individual member, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual; and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons;
<b>Group</b>	the Company (or the company in question) and its subsidiary undertaking(s) (as such term is defined in the Act) (if any) from time to time;
<b>Issue Price</b>	the price at which the relevant Share is issued, being the aggregate of the amount paid up or credited as paid up in respect of the nominal value thereof and any share premium thereon;
<b>New Holding Company</b>	a newly formed holding company of the Company, pursuant to which the membership, pro rata shareholdings and classes of shares comprised in such New Holding Company matches that of the Company (excluding treasury shares (as defined in the Act)) immediately prior to the transfer of the issued share capital of the Company to such New Holding Company;
<b>Ordinary Shares</b>	the ordinary shares of £1 in the capital of the Company and includes any interest in any such shares, having the rights, restrictions, privileges and conditions set out in these Articles;
<b>Permitted Transferee</b>	<ul style="list-style-type: none"> <li>a) in relation to each holder of A Shares and each holder of B Shares, any of his Privileged Relations, Trustees or Qualifying Companies or any nominee or custodian for any of the foregoing; and</li> <li>b) in relation to each shareholder which is a Trustee, where applicable, a Qualifying</li> </ul>

Company or new or remaining trustees  
upon a change of Trustees,

provided that no transfer of shares may be made  
to Trustees unless the board and the A & B  
Majority is/are satisfied:

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

**poll vote**

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;

**Preference Dividend**

has the meaning given in Article 19.1;

**Preference Shares**

the cumulative redeemable preference shares of £0.50 each in the share capital of the Company and includes any interest in any such shares, having the rights, restrictions, privileges and conditions set out in these Articles;

**Privileged Relation**

a spouse, civil partner, child, grandchild (including step or adopted or illegitimate child and their issue), brother, sister or parent;

**Qualifying Company**

a company in which a shareholder or Trustee(s) holds the entire issued share capital and over which that shareholder or Trustee(s) exercises control (within the meaning of section 1124 of the Corporation Tax Act 2010);

**Shares**

the Ordinary Shares, the A Shares, the B Shares and the Preference Shares;

**Shareholder**

a holder of shares in the capital of the Company; and

**Trustees**

the trustee or the trustees of a Family Trust or of a charitable trust.

**2. SHARE CAPITAL**

- 2.1 The A Shares, the B Shares and the Ordinary Shares rank pari passu in all respects by reference to the number of shares, save as provided otherwise in these Articles.

2.2 The rights, restrictions, privileges and conditions attaching to the Preference Shares are set out in Articles 7.1 and 19.

2.3 Regulation 104 in Table A shall be deleted and replaced with the following: "Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the number of shares held".

### **3. VARIATION OF RIGHTS**

3.1 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 more than three-fourths calculated by reference to the number of shares 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; provided that, in the case of any A Shares and/or B Shares and/or Ordinary Shares, if the Relevant Criteria (defined below) are satisfied, the special rights attaching to the A Shares and/or B Shares and/or Ordinary Shares, as the case may be, may be varied or abrogated by the written consent of holder(s) of 50 per cent. or more (on a poll vote) of, taken together, the A Shares and the B Shares (calculated by reference to the number of shares) as if the A Shares, the B Shares and the Ordinary Shares are one class of shares (the "**Relevant Approval**").

3.2 To every such 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 the necessary quorum shall be two persons, present in person, by proxy or by corporate representative, 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 corporate representative), but so that if, at any adjourned meeting of such holders, such a quorum is not present, then those holders who are present (in person, by proxy or by corporate representative) shall be a quorum.

3.3 For the purpose of this Article 3, the "**Relevant Criteria**" will be satisfied if the proposed variation or abrogation of the special rights attaching to the A Shares, B Shares or Ordinary Shares, as the case may be, is the same as the proposed variation or abrogation of the special rights attaching to the Ordinary Shares, A Shares or B Shares respectively (or proportionately the same, taking account of the proportion which each class of share represents of the total issued share capital of the Company and the rights attaching to each such class) or if the proposed variation or abrogation of the special rights attaching to the A Shares, B Shares or Ordinary Shares is not disproportionately prejudicial to the A Shares, B Shares or, as the case may be, Ordinary Shares.

### **4. ALLOTMENT OF SHARES**

Shares which are comprised in the share capital of the Company shall be under the control of the directors who may (subject to section 551 of the Act and to Articles 1 and 5 below) allot, grant options over or otherwise dispose of the same, to such persons, on such terms and in such manner as they think fit.

### **5. PRE-EMPTION RIGHTS ON ALLOTMENT AND TRANSFER**

5.1 All shares which (i) the directors propose, with A & B Consent, to allot and/or issue in accordance with Article 4 or (ii) are proposed to be transferred pursuant to Article 15, save where the provisions of Article 16 apply, shall first be offered to the members in proportion as nearly as may be to the number of the existing shares held by them respectively unless the Company otherwise directs (i) by special resolution and (ii) with A & B Consent. The

offer shall be made by notice specifying the number of shares offered, and limiting a period (not being less than 14 days) within which the offer, if not accepted, will be deemed to be declined. After the expiration of that period, those shares so deemed to be declined shall be offered in the proportion aforesaid to the persons who have, within the said period, accepted all the shares offered to them; such further offer shall be made in like terms in the same manner and limited by a like period as the original offer. Any shares not accepted pursuant to such offer or further offer as aforesaid or not capable of being offered as aforesaid except by way of fractions and any shares released from the provisions of this Article 5 by any such special resolution as aforesaid shall be under the control of the directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit, provided that, in the case of shares not accepted as aforesaid, such shares shall not be disposed of on terms which are more favourable to the subscribers therefor than the terms on which they were offered to the members. The foregoing provisions of this Article 5 shall have effect subject to section 551 of the Act.

- 5.2 In accordance with section 567(1) and (2) of the Act, section 561 of the Act shall not apply to the Company.

## **6. SHARES**

- 6.1 The lien conferred by regulation 8 in Table A shall attach also to fully paid-up shares, and the Company shall also have a first and paramount lien on all shares, whether fully paid or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders, for all moneys presently payable by him or his estate to the Company. Regulation 8 in Table A shall be modified accordingly.

- 6.2 The liability of any member in default in respect of a call shall be increased by the addition at the end of the first sentence of regulation 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

## **7. GENERAL MEETINGS AND RESOLUTIONS**

- 7.1 The shares shall have the following voting rights on a written resolution or resolution to be passed at a general meeting of the Company (whether on a show of hands or on a poll):

7.1.1 every shareholder (or his relevant proxy or duly authorised representative at a general meeting) holding one or more Ordinary Shares, A Shares or B Shares on the date on which either the written resolution is circulated or the time of the general meeting who is present at such meeting shall, subject to these Articles, have one vote for each Ordinary Share, one vote for each A Share and one vote for each B Share held by him; and

7.1.2 in accordance with Article 19.17, the Preference Shares will entitle the holders thereof to:

- (a) receive a copy of any written resolution circulated to eligible members under the Act at the same time as the resolution is so circulated but not to vote on such a resolution; and
- (b) receive notice of all general meetings but not to attend or vote at any general meeting,

and the following provisions of this Article 7 shall be construed accordingly.

- 7.2 Every notice convening a general meeting shall comply with the provisions of section 325(1) of the Act as to giving information to members in regard to their right to appoint proxies; and notices of and other communications relating to any general meeting which any member is entitled to receive shall be sent to the directors and to the auditors for the time being of the Company.
- 7.2.1 No business shall be transacted at any general meeting unless a quorum is present. Subject to Article 7.2.2 below, two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum.
- 7.2.2 If and for so long as the Company has only one member, that member present in person or by proxy or (if that member is a corporation) by a duly authorised representative shall be a quorum.
- 7.2.3 If a quorum is not present within half an hour from the time appointed for a general meeting the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the directors may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed therefor such adjourned general meeting shall be dissolved,
- 7.2.4 Regulations 40 and 41 in Table A shall not apply to the Company.
- 7.2.5 If and for so long as the Company has only one member and that member takes any decision which is required to be taken in general meeting or by means of a written resolution, that decision shall be as valid and effectual as if agreed by the Company in general meeting, subject as provided in Article 7.2.6 below.
- 7.2.6 Any decision taken by a sole member pursuant to Article 7.2.5 above shall be recorded in writing and delivered by that member to the Company for entry in the Company's minute book.
- 7.2.7 Resolutions under section 168 of the Act for the removal of a director before the expiration of his period of office and under section 510 of the Act for the removal of an auditor before the expiration of his period of office shall only be considered by the Company in general meeting.
- 7.3 A member present at a meeting by proxy shall be entitled to speak at the meeting and shall be entitled to one vote on a show of hands. In any case where the same person is appointed proxy for more than one member he shall on a show of hands have as many votes as the number of members for whom he is proxy. Regulation 54 in Table A shall be modified accordingly.
- 7.4 Unless resolved by ordinary resolution that regulation 62 in Table A shall apply without modification, the appointment of a proxy and any authority under which the proxy is appointed or a copy of such authority certified notarially or in some other way approved by the directors may be deposited or received at the place specified in regulation 62 in Table A up to the commencement of the meeting or (in any case where a poll is taken otherwise than at the meeting) of the taking of the poll or may be handed to the chairman of the meeting prior to the commencement of the business of the meeting.

## 8. APPOINTMENT OF DIRECTORS

- 8.1 Regulation 64 in Table A shall not apply to the Company.
- 8.2 Save as the directors otherwise determine with A & B Consent, the maximum number of directors shall be eight and the minimum number of directors shall be one. Whenever the minimum number of directors is one, a sole director shall have authority to exercise all the powers and discretions by Table A and by these Articles expressed to be vested in the directors generally, and regulation 89 in Table A shall be modified accordingly.
- 8.3 Unless agreed otherwise by the A & B Majority, each of the chief executive officer and the chief financial officer of the Company, in each case, as appointed by the board of directors from time to time shall be a director.
- 8.4 The holder(s) of a majority of the Ordinary Shares shall have the right to appoint and maintain in office one natural person as director and the other holders of shares shall not vote their shares so as to remove any such director from office.
- 8.5 The A Majority shall have the right to appoint and maintain in office three natural persons as directors (each an "**A Director**") and the other holders of shares shall not vote their shares so as to remove any A Director from office.
- 8.6 The B Majority shall have the right to appoint and maintain in office two natural persons as directors (each an "**B Director**") and the other holders of shares shall not vote their shares so as to remove any B Director from office.
- 8.7 The appointment or removal of a director, A Director or B Director in accordance with Articles 8.4, 8.5 and 8.6 shall be by written notice from their appointer(s) to the Company, which shall take effect on delivery of such notice at the Company's registered office or at any meeting of the board of directors or committee of the board. The holder(s) of a majority of the Ordinary Shares shall consult with the Board in good faith on the identity of each prospective director to be appointed by such majority in accordance with Article 8.4, and the final decision on the identity of each such director shall be subject to the approval of the A & B Majority (such approval not to be unreasonably withheld or delayed).
- 8.8 Each A Director and each B Director shall be entitled at their request to be appointed as a member of any committee of the board, the board of directors of any other member of the Group and any committee of the board of directors of any other member of the Group, in each case, established from time to time.
- 8.9 In the event of an equality of votes, the chair of the meeting (or such other A Director as the A Directors may nominate) shall be entitled to a second or casting vote, as directed by a majority of the A Directors.
- 8.10 The A & B Majority shall be entitled to nominate one of the A Directors or one of the B Directors to be chair and another A Director or B Director to be the deputy chair of the Company and the board of directors.
- 8.11 The directors shall not be required to retire by rotation and regulations 73 to 80 (inclusive) in Table A shall not apply to the Company.
- 8.12 In any case where as the result of death or deaths the Company has no members and no directors the personal representatives of the last member to have died shall have the right by notice in writing to appoint a person to be a director of the Company and such appointment shall be as effective as if made by the Company in general meeting. For the purpose of this Article, where two or more members die in circumstances rendering it uncertain which of

them survived the other or others, the members shall be deemed to have died in order of seniority, and accordingly the younger shall be deemed to have survived the elder.

## **9. BORROWING POWERS**

The directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and subject (in the case of any security convertible into shares) to section 551 of the Act to grant any mortgage, charge or standard security over its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

## **10. ALTERNATE DIRECTORS**

10.1 Unless otherwise determined by the Company (i) in general meeting by ordinary resolution and (ii) with the consent of an A Director or a B Director, an alternate director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, and the first sentence of regulation 66 in Table A shall be modified accordingly.

10.2 A director, or any such other person as is mentioned in regulation 65 in Table A, may act as an alternate director to represent more than one director, and an alternate director shall be entitled at any meeting of the directors or of any committee of the directors to one vote for every director whom he represents in addition to his own vote (if any) as a director, but he shall count as only one for the purpose of determining whether a quorum is present.

## **11. GRATUITIES AND PENSIONS**

11.1 The directors may exercise the powers of the Company conferred by these Articles in relation to the payment of pensions, gratuities and other benefits and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

11.2 Regulation 87 in Table A shall not apply to the Company.

## **12. PROCEEDINGS OF DIRECTORS**

12.1 A director may vote, at any meeting of the directors or of any committee of the directors, on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever, and if he shall vote on any such resolution his vote shall be counted; and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting.

12.2 Each director shall comply with his obligations to disclose his interest in contracts under section 182 of the Act.

12.3 Regulations 94 to 97 (inclusive) in Table A shall not apply to the Company.

## **13. THE SEAL**

13.1 If the Company has a seal it shall only be used with the authority of the directors or of a committee of directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or second director. The obligation under regulation 6 in Table A relating to the



sealing of share certificates shall apply only if the Company has a seal. Regulation 101 in Table A shall not apply to the Company.

- 13.2 The Company may exercise the powers conferred by section 49 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the directors.

#### **14. INDEMNITY**

- 14.1 Every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, or in connection with any application under section 661 or section 1157 of the Act in which relief is granted to him by the Court, and no director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by section 232 of the Act.

- 14.2 The directors shall have power to purchase and maintain for any director, officer or auditor of the Company insurance against any such liability as is referred to in section 233 of the Act.

- 14.3 Regulation 118 in Table A shall not apply to the Company.

#### **15. TRANSFER OF SHARES**

- 15.1 No Share may be transferred unless the transfer is made in accordance with these Articles.

- 15.2 Save where the provisions of Article 16 apply, no proposed transfer by any shareholder of more than 10,000 shares (whether to one or more transferees and whether by a single transfer or a series of related transfers) shall be made or registered without (a) the prior consent of the directors and (b) A & B Consent.

- 15.3 The directors may refuse to register a transfer if:

15.3.1 it is a transfer of a share to a bankrupt, a minor or a person of unsound mind;

15.3.2 the transfer is not accompanied by the certificate for the shares to which it relates (or an indemnity for lost certificate in a form acceptable to the board) and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer; or

15.3.3 these Articles otherwise provide that such transfer shall not be registered.

- 15.4 If the directors refuse to register a transfer, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

- 15.5 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of:

15.5.1 the transferor; and

15.5.2 (if any of the shares is partly or nil paid) the transferee.

## **16. PERMITTED TRANSFERS**

- 16.1 A shareholder (who is not a Permitted Transferee) (the "**Original Shareholder**") may transfer all or any of his or its shares to a Permitted Transferee without restriction as to price or otherwise.
- 16.2 Shares previously transferred as permitted by Article 16.1 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 16.3 Where under the provision of a deceased shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any shares, whether immediately or contingently, are Permitted Transferees of the deceased shareholder, the legal representative of the deceased shareholder may transfer any share to those Permitted Transferees, in each case without restriction as to price or otherwise.
- 16.4 If a Permitted Transferee who was a member of the same Group as the Original Shareholder ceases to be a member of the same Group as the Original Shareholder, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the shares held by it to the Original Shareholder or a member of the same Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise.
- 16.5 If a Permitted Transferee who is a Qualifying Company of the Original Shareholder ceases to be a Qualifying Company of the Original Shareholder, it must within five Business Days of so ceasing, transfer the shares held by it to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) (any may do so without restriction as to price or otherwise).
- 16.6 If a Permitted Transferee who is a spouse or civil partner of the Original Shareholder ceases to be a spouse or civil partner of the Original Shareholder whether by reason of divorce or otherwise he must, within 15 Business Days of so ceasing execute and deliver to the Company a transfer of the shares held by him to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them.
- 16.7 On the death (subject to Article 16.3), bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder.
- 16.8 A transfer of any shares approved by the directors with A & B Consent may be made without restriction as to price or otherwise and with any such conditions as may be imposed and each such transfer shall be registered by the directors.
- 16.9 Any shares may at any time be transferred where there is a sale of the entire issued share capital of the Company to a New Holding Company, which has been approved by the directors with A & B Consent.
- 16.10 The Company shall only be permitted to sell or transfer any shares held as treasury shares (as defined in the Act) to any person with A & B Consent.

## **17. ASSOCIATE DIRECTORS**

- 17.1 The directors may, subject to Article 8 and with A & B Consent, at any time and from time to time appoint any employee of the Company to the position of associate director.
- 17.2 An associate director shall at the request of the directors advise and assist the directors but shall not attend board meetings except at the invitation of the directors, and when present at board meetings he shall not vote, nor be counted in the quorum, but subject as aforesaid he shall as associate director have such powers, authorities and duties as the directors may in the particular case from time to time determine.
- 17.3 An associate director shall not be deemed a member of the board, nor any committee thereof, nor shall he be a director for any of the purposes of these Articles or for any of the purposes of the Act.
- 17.4 Without prejudice to any rights or claims the associate director may have as employee under any contract with the Company, any appointment as an associate director may be terminated by the directors at any time and shall ipso facto terminate if the associate director shall from any cause cease to be an employee of the Company.
- 17.5 An associate director may receive such remuneration (if any) in addition to the remuneration received as an employee of the Company as the directors shall from time to time determine.

## **18. MEETINGS**

- 18.1 In this Article "communication" and "electronic communication" shall bear the meanings set forth in the Electronic Communications Act 2000 or any statutory modification or reenactment thereof.
- 18.2 A person in electronic communication with the chair and with all other parties to a meeting of the directors or of a committee of the directors shall be regarded for all purposes as personally attending such a meeting provided that but only for so long as at such a meeting he has the ability to communicate interactively and simultaneously with all other parties attending the meeting including all persons attending by way of electronic communication.
- 18.3 A meeting at which one or more of the directors attends by way of electronic communication is deemed to be held at such place as the directors shall at the said meeting resolve. In the absence of a resolution as aforesaid, the meeting shall be deemed to be held at the place, if any, where a majority of the directors attending the meeting are physically present, or in default of such a majority, the place at which the chairman of the meeting is physically present.

## **19. PREFERENCE SHARES**

### **Dividend Rights**

- 19.1 The Company shall, without resolution of the board of directors or of the Company in general meeting and before application of any profits to reserve or for any other purpose, accrue in respect of each Preference Share a fixed cumulative preferential dividend at the annual rate of 5% of the Issue Price per Preference Share (gross) compounded annually on 30 June in each year which shall accrue daily and be calculated in respect of the period to such date assuming a 365-day year (the "**Preference Dividend**").
- 19.2 The Preference Dividend shall (unless directed to the contrary by the A & B Majority) be paid on the earlier of:

- 19.2.1 a "**Sale**", being the sale of a majority of the Shares to a third party on arm's length terms as part of a single transaction or a series of related transactions;
- 19.2.2 an "**Asset Sale**", being the sale by the Company or any other member of the Group of all or substantially all of the Group's business, assets and undertakings to a single buyer or to one or more buyers as part of a single transaction or series of connected transactions;
- 19.2.3 an "**IPO**", being the admission of all or any of the Shares or other shares or securities of any Group Company (including any New Holding Company) to trading on a recognised stock exchange or regulated market in the UK or otherwise;
- 19.2.4 a "**Winding-Up**", being a distribution pursuant to a winding up, dissolution or liquidation of the Company or any New Holding Company (including following an Asset Sale);
- 19.2.5 a "**Redemption Default Event**" (being any event of default which is persisting and/or outstanding under any loan agreement between the Company and Philip Kirk and/or any other holder(s) of Preference Shares ("**Lender**") at any time and from time to time and/or any such Lender is entitled to enforce any security entered into in relation to or otherwise accelerate repayment pursuant to any such loan agreement);
- 19.2.6 the date of any purchase, repurchase or redemption by the Company of the relevant Preference Shares; and
- 19.2.7 the date on which, subject to (i) the Board recommending payment of the same and (ii) A & B Consent, the Company determines to distribute any Available Profits in respect of any financial year in paying the Preference Dividend,

to the person registered as the holder of the relevant Preference Share or Preference Shares on that date and shall be deemed to accrue from day to day after as well as before the commencement of a Winding-Up and shall therefore be payable by a liquidator in respect of any period after such commencement in priority to other claims or rights of shareholders in respect of share capital.

- 19.3 The Preference Dividend shall, provided the Company has sufficient profits available for distribution within the meaning of the Act ("**Available Profits**") out of which to pay the same and notwithstanding that such dividend is expressed to be cumulative, automatically become a debt due from and immediately payable by the Company on the relevant payment date specified in Article 19.2.
- 19.4 If the Company is unable to pay in full on the due date any Preference Dividend by reason of having insufficient Available Profits then it shall on such date pay the same to the extent that it is lawfully able to do so and the unpaid amount shall become payable immediately upon the date when the Company has sufficient Available Profits with which to pay the relevant unpaid part of such Preference Dividend.
- 19.5 Where by reason of the Company having had insufficient Available Profits it is in arrears with the payment of any Preference Dividend, the first Available Profits arising thereafter shall be applied first in or towards paying off all accruals and/or unpaid amounts of Preference Dividend.
- 19.6 Subject to (i) the Board recommending payment of the same, (ii) A & B Consent and (iii) the provisions of Articles 19.1 to 19.5 (inclusive) (including any prior payment of any

Preference Dividend due under Articles 19.1 to 19.5 (inclusive)), any Available Profits which the Company may determine to distribute in respect of any financial year shall be distributed amongst the holders of the Ordinary Shares, A Shares and B Shares (pari passu as if the same constituted one class of share) according to the number of such Ordinary Shares, A Shares and B Shares held by the relevant shareholders at the relevant time.

#### **Return of Capital Rights**

19.7 On a return of capital on liquidation or otherwise (except on a redemption or purchase by the Company of any Shares), the surplus assets of the Company remaining after the payment of its liabilities and all payments to be made in priority (including, for the avoidance of doubt, any debts arising from non-payment of Preference Dividends and all other sums payable in priority) shall be applied in the following order:

19.7.1 in priority to any payments to be made pursuant to Article 19.7.2, in paying to each holder of Preference Shares then in issue in respect of each Preference Share of which it is the holder, an amount equal to (i) 100% of the Issue Price thereof; and (ii) the aggregate amount of any accrued and/or unpaid amounts of Preference Dividend (to be calculated down to and including the date of the return of capital and to be payable irrespective of whether such dividend would be unlawful by reason of there being insufficient Available Profits); and

19.7.2 the balance of assets (if any) after all payments to be made in priority shall be distributed amongst the holders of the Ordinary Shares, A Shares and B Shares (pari passu as if the same constituted one class of Shares) according to the number of such Ordinary Shares, A Shares and B Shares held by the relevant shareholders at the relevant time.

#### **Redemption Rights**

19.8 The Preference Shares shall, subject to any restrictions set out in the Act, be redeemed as follows:

19.8.1 the Company shall (unless directed to the contrary by the A & B Majority) redeem all the Preference Shares then in issue immediately prior to a Sale, Asset Sale, IPO or Winding-Up or, if earlier, on the occurrence of a Redemption Default Event; and/or

19.8.2 the Company may, with A & B Consent, at any time in writing to the holders of Preference Shares, redeem such total number of Preference Shares as is specified in such notice.

19.9 Where Preference Shares are to be redeemed in accordance with Article 19.8, the Company shall give to the holders of the Preference Shares falling to be redeemed prior notice in writing of the redemption (a "**Company Redemption Notice**"). The Company Redemption Notice shall specify the particular Preference Shares to be redeemed and the date fixed for redemption (which, in the case of a redemption immediately prior to a Sale, Asset Sale, IPO or Winding-Up, shall be the expected date for redemption) and shall be given not less than 30 days prior to the date fixed for redemption. In the case of a redemption immediately prior to a Sale, Asset Sale, IPO or Winding-Up, the Company Redemption Notice shall be conditional on such a Sale, Asset Sale, IPO or Winding-Up occurring within one month of the date fixed for redemption, failing which the Company Redemption Notice shall be revoked.

19.10 If the Company is unable, because of having insufficient Available Profits to redeem in full the relevant number of Preference Shares on the date fixed for redemption, the Company

shall redeem as many of such Preference Shares as can lawfully and properly be redeemed and the Company shall redeem the balance as soon as it is lawfully and properly able to do so.

- 19.11 If the Company is at any time redeeming fewer than all the Preference Shares from time to time in issue, the number of Preference Shares to be redeemed shall be apportioned between those holders of the Preference Shares then in issue pro rata according to the number of Preference Shares held by them respectively at the date fixed for redemption.
- 19.12 On the date fixed for redemption, each of the holders of the Preference Shares falling to be redeemed shall be bound to deliver to the Company, at the Company's registered office, the certificate(s) for such Preference Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) in order that the same may be cancelled. Upon such delivery, the Company shall pay to the holder (or, in the case of any joint holders, to the holder whose name stands first in the Company's register of members in respect of such Preference Shares) the amount due to it in respect of such redemption against delivery of a proper receipt for the redemption monies.
- 19.13 If any certificate delivered to the Company pursuant to Article 19.12 includes any Preference Shares not falling to be redeemed on the date fixed for redemption, a new certificate in respect of those Preference Shares shall be issued to the holder(s) thereof as soon as practicable thereafter (and, in any event, within 20 Business Days thereafter).
- 19.14 There shall be paid on the redemption of each Preference Share an amount equal to:
- 19.14.1 100% of the Issue Price thereof; and
- 19.14.2 all accrued and/or unpaid amounts of Preference Dividend in respect thereof, calculated down to and including the date of actual payment;
- and such aggregate amount shall, subject to the Company having Available Profits or other monies which may be lawfully applied for such redemption, at that time become a debt due from and immediately payable by the Company to the holders of such Preference Shares.
- 19.15 If the Company fails or is unable to redeem any of the Preference Shares in full on the date due for redemption for any reason whatsoever, all Available Profits (or other monies which may lawfully be applied for the purpose of redeeming such Preference Shares) shall be applied in the order of priority specified in Article 19.5.

#### **Rights on a Sale**

- 19.16 In the event of a Sale then, notwithstanding anything to the contrary in the terms and conditions governing such Sale, upon direction from an A & B Majority, the Company shall procure that the consideration (whenever and howsoever received) shall be distributed amongst such selling shareholders in such amounts and in such order of priority as would be applicable on a return of capital (pursuant to Article 19.7 (*Return of Capital Rights*)).

#### **Voting Rights**

- 19.17 In accordance with Article 7, the Preference Shares will entitle the holders thereof to:
- 19.17.1 receive a copy of any written resolution circulated to eligible members under the Act at the same time as the resolution is so circulated but not to vote on such a resolution; and
- 19.17.2 receive notice of all general meetings but not to attend or vote at any general meeting.