

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

HIGGI LIMITED ("Company")

25 September 2015 (Circulation Date)

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the Resolution below is passed as a special resolution ("Special Resolution")

SPECIAL RESOLUTION

THAT the draft articles of association attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company

AGREEMENT

The undersigned, being persons entitled to vote on the above resolutions on the Circulation Date hereby irrevocably agrees to the Resolutions

Signed by

April A Davies  
April Davies

Date

25<sup>th</sup> September 2015

Signed by

Fleur A Barlow  
Fleur Barlow

Date

25<sup>th</sup> September 2015

Signed by

April A Davies  
Trustees of P R Graesser Will Trust

Date

25<sup>th</sup> September 2015



Signed by

*April A. Davies*

Trustees of Mrs P R Grasser Settlement




Date

25/5/15

Signed by

*April A. Davies*

Trustees of D R Graesser Settlement



Date

25/5/15

**Companies Act 2006**

**Private Company Limited by Shares**

**ARTICLES  
OF  
ASSOCIATION  
of  
HIGGI LIMITED**

**Company Number: 00223286**

**Incorporated: 18 July 1927**

**Articles Adopted: 25 September 2015**

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## INTRODUCTION

### 1 Interpretation

1.1 In these Articles, the following words have the following meanings

<b>Act</b>	the Companies Act 2006,
<b>Appointor</b>	has the meaning given in article 16 1,
<b>Articles</b>	the Company's articles of association for the time being in force,
<b>Business Day</b>	a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business,
<b>Conflict</b>	a situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company,
<b>Deemed Transfer Notice</b>	a Transfer Notice that is deemed to have been served under article 20 1,
<b>Eligible Director</b>	a Director who would be entitled to vote on the matter at a meeting of directors (but excluding any Director whose vote is not to be counted in respect of the particular matter),
<b>Fair Value</b>	in relation to shares, as determined in accordance with article 21,
<b>Interested Director</b>	has the meaning given in article 8 1,
<b>Model Articles</b>	the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (S/ 2008/3229) as amended prior to the date of adoption of these Articles and reference to a numbered "Model Article" is a reference to that article of the Model Articles,
<b>Permitted Transfer</b>	a transfer of shares made in accordance with article 18 14,
<b>Permitted Transferee</b>	means in the case of an individual shareholder, any Privileged Relation(s), or, in the case of persons holding shares on trust for another, the transfer by those trustees to a replacement trustee (so long as there is no change in beneficial ownership),
<b>Privileged Relation</b>	the lineal descendants of that shareholder (including step and adopted children and grandchildren) or a trust created for their benefit,
<b>Proposed Sale Price</b>	has the meaning given in article 18 1,
<b>Sale Shares</b>	has the meaning given in article 18 1,
<b>Seller</b>	has the meaning given in article 18 1,
<b>Transfer Notice</b>	has the meaning given in article 18 1,

**Transfer Price** has the meaning given in article 18 1 2,

**Valuers** the auditors (if none then the accountants) for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the Company and the Seller or, in the absence of agreement between the Company and the Seller on the identity of the expert within 10 Business Days of the expiry of the 20 Business Day period referred to in article 20 3, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants in England and Wales (in each case acting as an expert and not as an arbitrator), and

**Writing or written** the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise, save that, for the purposes of article 18, article 19, article 20 and article 22 "writing" or "written" shall not include the sending or supply of notices, documents or information in electronic form

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 those meanings in these Articles but excluding any statutory modification of them not in force on the date when these Articles become binding on the Company

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 or statutory provision is a reference to it as it is in force on the date when these Articles become binding on the Company

1 6 A reference to a statute or statutory provision shall include all subordinate legislation made as at the date on which these Articles become binding on the Company under that statute or statutory provision

1 7 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms

1 8 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them

## **2 Adoption of the Model Articles**

2 1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation

2 2 Model Articles 6(2), 9(1), 13, 14, 17 to 20 (inclusive), 22(2), 26(5), 38, 44(2), 52 and 53 shall not apply to the Company

- 2 3 Model Article 20 shall be amended by the insertion of the words "(including alternate directors and the secretary)" before the words "properly incur"
- 2 4 In Model Article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity"
- 2 5 Model Articles 27(2)(a) and (b) shall be amended by the insertion, in each case, of the words "and to any other agreement to which the holder was party at the time of his death" after the words "subject to the articles"
- 2 6 Model Article 28(2) shall be amended by the deletion of the word "If" and the insertion of the words "Subject to the articles and to any other agreement to which the holder was party at the time of his death, if" in its place
- 2 7 Model Articles 31(1)(a) to (c) (inclusive) shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide" Model Article 31(d) shall be amended by the deletion of the words "either" and "or by such other means as the directors decide"
- 2 8 Model Article 44(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article
- 2 9 Model Article 45(1)(d) shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate"
- 2 10 Model Article 45(1) shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that article

## **DIRECTORS**

### **3 Directors' Meetings**

- 3 1 Any decision of the directors must be taken at a meeting of directors in accordance with these Articles or must be a decision taken unanimously in the manner detailed in Model Article 7(b)
- 3 2 Subject as provided in these Articles, the directors may participate in directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. The directors will try to meet at least monthly
- 3 3 All decisions made at any meeting of the directors shall be made only by resolution, and no such resolution shall be passed unless more votes are cast for it than against it
- 3 4 Each director has one vote at a meeting of directors
- 3 5 If at any time before or at any meeting of the directors all directors participating should request that the meeting be adjourned or reconvened to another time or date (whether to enable further consideration to be given to any matter or for other directors to participate or for any other reason, which need not be stated) then such meeting shall be adjourned or reconvened accordingly. No business shall be conducted at that meeting after such a request has been made. No meeting of directors may be adjourned pursuant to this article more than once

#### **4 Calling a Directors' Meeting**

4 1 Any director may call a meeting of directors by giving not less than five Business Days' notice of the meeting (or such shorter period of notice as agreed in writing by all the directors) to each director or by authorising the Company secretary (if any) to give such notice

4 2 Notice of any directors' meeting must be accompanied by

4 2 1 an agenda specifying in reasonable detail the matters to be raised at the meeting, and

4 2 2 copies of any papers to be discussed at the meeting

4 3 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of directors unless all the directors present at the meeting agree in writing

#### **5 Quorum for Directors' Meetings**

5 1 No business shall be conducted at any meeting of directors unless a quorum (being any two directors) is present at the beginning of the meeting and also when that business is voted on

5 2 If a quorum is not present within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for two Business Days at the same time and place

#### **6 Casting Vote**

The chairman or other director chairing the meeting shall have a casting vote in the event that the numbers of votes for and against a proposal are equal

#### **7 Directors' Interests**

7 1 Subject to section 177(5) and (6) and section 182(5) and (6) of the Act, and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company

7 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,

7 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 existing or proposed transaction or arrangement in which he is interested,

7 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 existing or proposed transaction or arrangement in which he is interested,

7 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,

7 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

7 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 transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such 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 2 The provisions of article 7 1 1 to article 7 1 6 (inclusive) are subject, where applicable, to any terms and conditions imposed by the Directors in accordance with article 8

7 3 For the purposes of this article, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting

7 4 Subject to article 7 5, if a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chairman whose ruling in relation to any Director other than the Chairman is to be final and conclusive

7 5 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chairman, the question is to be decided by a decision of the Directors at that meeting, for which purpose the Chairman is not to be counted as participating in that part of the meeting for voting or quorum purposes

## **8 Directors' Conflicts of Interest**

8 1 The Directors may, in accordance with the requirements set out in this article 8, authorise any Conflict 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**)

8 2 Any authorisation under this article 8 will be effective only if

8 2 1 to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine,

8 2 2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director, and

8 2 3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted

8 3 Any authorisation of a Conflict under this article 8 may (whether at the time of giving the authorisation or subsequently) impose on the Interested Director such conditions or limitations, or be granted subject to such terms, as the Directors may think fit for the purposes of dealing with the Conflict and the Interested Director will be obliged to conduct himself in accordance with any such terms and conditions

8 4 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, before such revocation or variation, in accordance with the terms of such authorisation

8 5 A Director, notwithstanding his office, may be a Director or other officer of, employed by, or otherwise interested (including by the holding of Shares) in, any member of the Group and no further authorisation under article 8 1 shall be necessary in respect of any such interest

- 8 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 that he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles, by the Company or by these Articles (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

**9 Records of Decisions to be Kept**

- 9 1 Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in a form that enables the Company to retain a copy of such decisions

**APPOINTMENT OF DIRECTORS AND SECRETARY**

**10 Number of Directors**

The number of Directors shall not be subject to any maximum but shall not be less than one. A sole Director shall have all the powers, duties and discretions conferred on or vested in the Directors by these Articles.

**11 Methods of Appointing Directors**

- 11 1 Any person who is willing to act as a Director and is permitted by law to do so may be appointed to be a Director by Ordinary Resolution or by a decision of the Directors.
- 11 2 In any case where, as a result of death or Bankruptcy, the Company has no Shareholders and no Directors, the Transmittee of the last Shareholder to have died or to have had a Bankruptcy order made against him has the right, by notice in writing, to appoint a natural person to be a Director of the Company and such appointment shall be as effective as if made by any means allowed under these Articles for the appointment of Directors.
- 11 3 For the purposes of article 11 2, where two or more Shareholders die in circumstances rendering it uncertain who was the last to die, the younger Shareholder is deemed to have survived the older Shareholder.

**12 Termination of Director's appointment**

- 12 1 A person ceases to be a Director as soon as
- 12 1 1 that person ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law,
  - 12 1 2 a Bankruptcy order is made against that person,
  - 12 1 3 a composition is made with that person's creditors generally in satisfaction of that person's debts,
  - 12 1 4 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months,
  - 12 1 5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have, or

12 1 6 notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms

12 2 Any removal of a Director pursuant to article 12 1 shall be without prejudice to any claim for breach of contract under any employment agreement between the Company and the Director so removed

### 13 **Secretary**

The Directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and on 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

### 14 **Directors' Remuneration**

14 1 Directors may undertake any services for the Company that the Directors decide

14 2 Directors are entitled to such remuneration as the Directors determine for their services to the Company as Directors and for any other service which they undertake for the Company

14 3 Subject to these Articles, a Director's remuneration may take any form and include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director

14 4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day

14 5 Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Group or of any other body corporate in which the Group is interested

### 15 **Directors' Expenses**

15 1 The Company may pay any reasonable expenses which the Directors and the company secretary properly incur in connection with their attendance at meetings of Directors, committees of Directors, general meetings or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company

### 16 **Alternate Directors**

16 1 Any director (other than an alternate director) (the **Appointor**) may appoint any person (whether or not a director) to be an alternate director to exercise the Appointor's powers, and carry out the Appointor's responsibilities, in relation to the taking of decisions by the directors, in the absence of the Appointor. A person may not be appointed as an alternate director by more than one director

16 2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company (and to the alternate, on removal) signed by the Appointor, or in any other manner approved by the directors

16 3 The notice must

16 3 1 identify the proposed alternate, and

16 3 2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the director giving the notice

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- 16 4 An alternate director has the same rights, in relation to any decision of the directors, as the alternate's Appointor
- 16 5 Except as the Articles specify otherwise, alternate directors
- 16 5 1 are deemed for all purposes to be directors,
- 16 5 2 are liable for their own acts and omissions,
- 16 5 3 are subject to the same restrictions as their Appointors, and
- 16 5 4 are not deemed to be agents of or for their Appointors,
- and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors
- 16 6 A person who is an alternate director but not a director may, subject to him being an Eligible Director
- 16 6 1 Be counted as participating for the purposes of determining whether a quorum is present at a meeting of directors (but only if that person's Appointor is an Eligible Director and is not participating), and
- 16 6 2 Participate in a unanimous decision of the directors (but only if his Appointor is an Eligible Director in relation to that decision, and does not himself participate)
- 16 7 A director who is also an alternate director is entitled, in the absence of his Appointor(s), to a separate vote on behalf of each Appointor (provided that an Appointor is an Eligible Director in relation to that decision), in addition to his own vote on any decision of the directors
- 16 8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's Appointor as the Appointor may by notice in writing to the Company from time to time direct
- 16 9 An alternate director's appointment as an alternate (in respect of a particular Appointor) terminates
- 16 9 1 when the alternate's Appointor revokes the appointment by notice to the Company and the alternate in writing specifying when it is to terminate, or
- 16 9 2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a director, or
- 16 9 3 on the death of the alternate's Appointor, or
- 16 9 4 when the alternate director's Appointor ceases to be a director for whatever reason

## **SHARES**

### **17 Share Transfers: General**

- 17 1 In these Articles, reference to the transfer of a share includes the transfer, assignment or other disposal of a beneficial or other interest in that share, or the creation of a trust or encumbrance over that share, and reference to a share includes a beneficial or other interest in a share

- 17 2 No shareholder shall transfer any share except
- 17 2 1 a shareholder may transfer all (but not some only) of his shares in the Company for cash in accordance with the procedure set out in article 18, or
- 17 2 2 in accordance with article 19, or
- 17 2 3 in accordance with article 20, or
- 17 2 4 in accordance with article 22, or
- 17 2 5 with the prior consent of the Board
- 17 3 Without prejudice to the provisions of these articles, the directors retain their discretion whether or not to register any transfer of shares
- 17 4 The directors may, as a condition to the registration of any transfer of shares in the Company (whether to a Permitted Transferee or otherwise) require the transferee to execute and deliver to the Company a deed under which the transferee agrees to be bound by the terms of any shareholders' agreement (or similar document) in force between the shareholders in such form as the directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) If any such condition is imposed in accordance with this article 17 4, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee
- 17 5 To enable the directors to determine whether or not there has been a transfer of shares in the Company in breach of these Articles, the directors of any class may from time to time require any shareholder to provide the Company with such information and evidence as they may reasonably require relevant to that purpose If a shareholder fails to provide information or evidence in respect of any shares registered in his name to the reasonable satisfaction of such directors within 14 days of their request or, as a result of the information and evidence provided such directors are reasonably satisfied that a breach has occurred, then such directors may serve a notice on the shareholder stating that the shareholder shall not in relation to those shares be entitled to be present or to vote in person or by proxy at any general meeting of the Company or any meeting of the holders of shares of that class, or to vote on a written resolution of the shareholders or to receive dividends on the shares Such directors may reinstate these rights at any time
- 17 6 Any transfer of shares by way of a sale under these Articles shall be deemed to include a warranty that the transferor sells the shares with full title guarantee
- 18 **Pre-emption Rights on the Transfer of Shares**
- 18 1 Except where the provisions of articles 19, 20 or 22 apply, a shareholder (**Seller**) wishing to transfer all his shares (**Sale Shares**) must give notice in writing (a **Transfer Notice**) to the Company giving details of the proposed transfer including
- 18 1 1 if he wishes to sell the Sale Shares to a third party, the name of the proposed buyer, and
- 18 1 2 the price (in cash) at which he wishes to sell the Sale Shares (**Transfer Price**)
- 18 2 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of these Articles
- 18 3 As soon as practicable following receipt of the Transfer Notice, the directors shall offer the Sale Shares for sale in the manner set out in the remaining provisions of this article 18 at the

- Transfer Price Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered
- 18 4 The directors shall first offer the Sale Shares to the other Shareholders (excluding any shareholder whose shares are, at the date of the Transfer Notice, the subject of a Deemed Transfer Notice) and second to the Company
- 18 5 The directors shall offer the Sale Shares first to the Shareholders, inviting them to apply in writing within the period from the date of the offer to the date following 20 Business Days after the offer (both dates inclusive) (the **First Offer Period**) for the maximum number of Sale Shares they wish to buy
- 18 6 If
- 18 6 1 at the end of the First Offer Period, the total number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the directors shall allocate the Sale Shares to each Shareholder who has applied for Sale Shares in the proportion which his existing holding of shares of the class being offered bears to the total number of shares of that class (excluding those held by the Seller) Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements among the Shareholders shall be determined by the directors) No allocation shall be made to a shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy,
- 18 6 2 not all Sale Shares are allocated following allocations in accordance with article 18 6 1, but there are applications for Sale Shares that have not been satisfied, the directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in article 18 6 1 The procedure set out in this article 18 6 2 shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied, and
- 18 6 3 at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the directors shall allocate the Sale Shares to the Shareholders in accordance with their applications The balance (the **Surplus Shares**) shall be dealt with in accordance with article 18 7
- 18 7 At the end of the First Offer Period, the directors shall offer the Surplus Shares (if any) to the Company, inviting it to apply in writing within the period from the date of the offer to the date falling 20 Business Days after the offer (both dates inclusive) (the **Second Offer Period**) for the maximum number of Initial Surplus Shares it wishes to buy
- 18 8 If
- 18 8 1 at the end of the Second Offer Period, the number of Surplus Shares applied for is equal to the number of Surplus Shares, the directors shall allocate the Surplus Shares to the Company,
- 18 8 2 at the end of the Second Offer Period, the Company has not indicated that it will acquire all of the Surplus Shares, the directors shall allocate such of the Surplus Shares that the Company wishes to acquire (if any) to the Company The balance may, without prejudice to the directors' right to refuse to register the transfer, be transferred to the buyer identified in the Transfer Notice in accordance with article 18 13
- 18 9 The directors shall, when no further offers or allocations are required to be made under articles 18 4 to article 18 8 (inclusive), give notice in writing of the allocations of Sale Shares

(an **Allocation Notice**) to the Seller and each shareholder/the Company to whom Sale Shares have been allocated (each an **Applicant**) The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant, the amount payable in accordance with article 18 10 and the place and time for completion of the transfer of the Sale Shares (which shall be at least 20 Business Days, but not more than 40 Business Days, after the date of the Allocation Notice)

- 18 10 On the date specified for completion in the Allocation Notice, the Seller shall, against the initial payment due from each Applicant referred to below, execute and deliver a transfer of the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice, together with the relevant share certificate(s) (or an indemnity in lieu thereof) Each Applicant shall upon completion pay the total amount due Payment shall be made to such bank account as the Seller may notify the Applicant of and must be received by the Seller in cleared funds on or by the due date
- 18 11 If the Seller fails to comply with article 18 10
- 18 11 1 the Chairman (or, failing him, any other director or some other person nominated by a resolution of the directors) may, as agent on behalf of the Seller
- 18 11 1 1 complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,
- 18 11 1 2 receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price), and
- 18 11 1 3 (subject to the transfers being duly stamped) enter the Applicants in the register of shareholders as the holders of the Sale Shares purchased by them, and
- 18 11 2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Sale Shares or an indemnity, in a form reasonably satisfactory to the directors, in respect of any lost certificate, together, in either case, with such other evidence (if any) as the board may reasonably require to prove good title to those Sale Shares, to the Company
- 18 12 In the event that the Company elects to acquire some or all of the Sale Shares then the shareholders shall exercise their voting rights when asked to do so in order to give effect to this article (including voting in favour of the proposal) In addition, the Seller acknowledges that it will be required to enter into an agreement with the Company to effect such buy-back and agrees to do so Should the Company become an Applicant but then by virtue of the Companies Act 2006 be unable to complete the acquisition of the Sale Shares allocated to it then that shall not give rise to a claim for breach of contract for the Seller but instead the provisions of this article shall apply as if the Company had not elected to acquire any of the Sale Shares
- 18 13 Where an Allocation Notice does not relate to all the Sale Shares, then the Seller may, at any time during the 60 Business Days following the date of service of the Allocation Notice, transfer the balance of the Sale Shares to the buyer identified in the Transfer Notice at a price at least equal to the Transfer Price The Seller shall not be permitted to transfer any such Third Surplus Shares to a third party buyer if that buyer was not identified in the Transfer Notice
- 18 14 Any Transfer Notice served in respect of the transfer of any shares which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of the Deemed Transfer Notice

## **19 Permitted Transfers**

- 19 1 A Shareholder may transfer some or all of his Shares to a Permitted Transferee without being required to follow the steps set out in article 18
- 19 2 On the death or bankruptcy of a Shareholder (other than a joint holder), his personal representatives or trustee in bankruptcy (as the case may be) may offer the shares held by him for transfer to one or more Permitted Transferees within 40 Business Days after the grant of probate or the making of the bankruptcy order (as the case may be), for such consideration as may be agreed between the proposed transferees and the personal representatives or trustee in bankruptcy (as the case may be) If such offer is not made or if it is made but a transfer of the shares has not been executed and delivered within 80 Business Days of the grant of probate or the making of the bankruptcy order (as the case may be) the personal representatives or trustee in bankruptcy shall be deemed to have given a Transfer Notice in respect of the shares in accordance with article 18 and article 20 2

## **20 Compulsory Transfers**

- 20 1 Subject to article 19 2, a shareholder is deemed to have served a Transfer Notice under article 18 1 immediately before any of the following events
- 20 1 1 the death of a shareholder, or
- 20 1 2 an order being made for the shareholder's bankruptcy, or
- 20 1 3 the happening in relation to a shareholder of any event analogous to that set out in article 20 1 2 in any jurisdiction in which he is resident, carries on business or has assets, or
- 20 1 4 the shareholder lacking capacity (under section 2 of the Mental Capacity Act 2005) to make decisions in relation to the Company or his shareholding
- 20 2 The Deemed Transfer Notice has the same effect as a Transfer Notice, except that the Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the Sale Shares, it may not be withdrawn and the Transfer Price for the Sale Shares shall be the aggregate Fair Value of those shares, determined by the Valuers in accordance with article 21
- 20 3 The selling shareholder and the other Shareholder(s) shall endeavour to agree Fair Value but should they fail to reach agreement within 20 Business Days of a proposal being first notified by one party to another then the Fair Value for each Sale Share shall be determined in accordance with article 21
- 20 4 A Deemed Transfer Notice shall immediately and automatically revoke a Transfer Notice served by the relevant shareholder before the occurrence of the relevant event giving rise to the Deemed Transfer Notice

## **21 Valuation**

- 21 1 The Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Company and the Seller in writing of their determination
- 21 2 The Fair Value for any Sale Share shall be the price per share determined in writing by the Valuers on the following bases and assumptions
- 21 2 1 valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company with an appropriate premium or discount being



- made having regard to the percentage of the issued share capital of the Company which they represent or for the rights or restrictions applying to the Sale Shares,
- 21 2 2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
- 21 2 3 the sale is to be on arms' length terms between a willing seller and a willing buyer,
- 21 2 4 the Sale Shares are sold free of all encumbrances,
- 21 2 5 the sale is taking place on the date the Valuers were requested to determine the Fair Value, and
- 21 2 6 to take account of any other factors that the Valuers reasonably believe should be taken into account
- 21 3 The shareholders are entitled to make submissions to the Valuers including oral submissions and will provide (or procure that the Company provides) the Valuers with such assistance and documents as the Valuers reasonably require for the purpose of reaching a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the shareholders may reasonably require
- 21 4 To the extent not provided for by this article 21, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate, including (to the extent they consider necessary), instructing professional advisers to assist them in reaching their valuation
- 21 5 The Valuers shall act as expert and not as arbitrator and their written determination shall be final and binding on the shareholders (in the absence of manifest error or fraud)
- 21 6 The cost of obtaining the Valuers' valuation shall be borne by the Company and the Seller equally or in such other proportions as the Valuers direct
- 22 **Drag Along**
- 22 1 If a majority of the Shareholders by nominal value (**Selling Majority**) wish to transfer all (but not some only) of their respective shares to a bona fide purchaser on arm's length terms (**Proposed Buyer**), the Selling Majority may require all other holders of shares in the Company (**Called Shareholders**) to sell and transfer 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**)
- 22 2 The Selling Majority 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 Selling Majority's shares to the Proposed Buyer. The Drag Along Notice shall specify
- 22 2 1 that the relevant Called Shareholder is required to transfer all of his Called Shares pursuant to this article 22,
- 22 2 2 the person to whom the Called Shares are to be transferred,
- 22 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 Selling Majority's shares, and
- 22 2 4 the proposed date of the transfer

- 22 3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Majority have not sold their respective shares to the Proposed Buyer within 60 Business Days of serving the Drag Along Notice. The Seller may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 22 4 No Drag Along Notice shall require the Called Shareholder to agree to any terms except those specifically set out in this article 22 and article 17 6.
- 22 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 Selling Majority's shares unless
- 22 5 1 the Selling Majority and the Called Shareholder agree otherwise in which case the Completion Date shall be the date agreed in writing by them, or
- 22 5 2 that date is less than 10 Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the tenth Business Day after service of the Drag Along Notice.
- 22 6 Neither the proposed sale of the Selling Majority's shares to the Proposed Buyer nor the sale of the Called Shares by the Called Shareholders shall be subject to the rights of pre-emption set out in article 18.
- 22 7 On or before the Completion Date, the Called Shareholders shall execute and deliver a stock transfer form(s) for the Called Shares, together with the relevant share certificate(s) (or a suitable indemnity for any lost share certificate(s)) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts due pursuant to article 22 2 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 in trust for the Called Shareholders without any obligation to pay interest.
- 22 8 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 form(s) and share certificate(s) (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this article 22 in respect of their shares unless and until a further Drag Along Notice is served.
- 22 9 If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with article 22 7) transfer(s) in respect of all of the Called Shares held by him, that Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Majority to be his agent to execute all necessary transfer(s) on his 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 he 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 such person. Failure to produce a share certificate shall not impede the registration of shares under this article 22 9.

## **DECISION MAKING BY SHAREHOLDERS**

### **23 Quorum for General Meetings**

- 23 1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two persons present in person or by proxy.

- 23 2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on

**24 Poll Votes**

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

**ADMINISTRATIVE ARRANGEMENTS**

**25 Means of Communication to be Used**

- 25 1 Subject to article 25 3, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient

25 1 1 if delivered by hand or by reputable courier within the United Kingdom, on signature of a delivery receipt or at the time the notice, document or other information is left at the address, or

25 1 2 if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9 00 am on the second Business Day after posting, or

25 1 3 if sent by pre-paid airmail to an address outside the country from which it is sent, at 9 00 am on the fifth Business Day after posting, or

25 1 4 if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address, or

25 1 5 if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied, or

25 1 6 if deemed receipt under the previous paragraphs of this article 25 1 would occur outside business hours (meaning 9 00 am to 5 30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9 00 am on the day when business next starts in the place of deemed receipt For the purposes of this article, all references to time are to local time in the place of deemed receipt

- 25 2 To prove service, it is sufficient to prove that

25 2 1 if delivered by hand or by reputable courier, the notice was delivered to the correct address, or

25 2 2 if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted, or

25 2 3 if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient

- 25 3 Any notice, document or other information served on, or delivered to, an intended recipient under article 18, article 18 14 or article 20 or article 22 (as the case may be) may not be served or delivered in electronic form

**26 Indemnity and Insurance**

26 1 Subject to article 26 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

26 1 1 each relevant officer of the Company shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs, and

26 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 26 1 1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

26 2 This article does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Act or by any other provision of law and any such indemnity is limited accordingly

26 3 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss

26 4 In this article

26 4 1 a "relevant officer" means any director or other officer or former director or other officer of the Company, but excluding in each case any person engaged by the Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor, and

26 4 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