

F H HARVEY & SONS (DECORATORS) LIMITED (THE "COMPANY")

COMPANY NUMBER: 00890252

ORDINARY AND SPECIAL RESOLUTIONS

OF

F.H HARVEY & SONS (DECORATORS) LIMITED

Passed on 20th December 2016

FRIDAY



A46 23/12/2016 #291
COMPANIES HOUSE

The following resolutions were duly passed as written resolutions of the Company, with resolutions 1 to 4 being passed as ordinary resolutions and with resolutions 5 and 6 being passed as special resolutions pursuant to chapter 2 of Part 13 of the Companies Act 2006

ORDINARY RESOLUTIONS:

- 1 Subject to the passing of resolution numbered 5 below, that the Company be and is hereby authorised pursuant to section 690 of the Companies Act 2006 and the Company's Articles of Association to purchase its own shares in accordance with a proposed contract to purchase in the form attached to the resolution and initialled by the signatories for the purpose of identification to be made between (1) the Company and (2) David Frederick Harvey in respect of the sale to and the purchase by the Company of 270 ordinary shares of £1 each in the capital of the Company (as re-classified pursuant to resolution numbered 2 below) for the total sum of £900,000 to be paid out of the distributable profits of the Company on the four tranche dates as specified in the contract (or on such other dates as otherwise allowed for in the contract) and of which contract is hereby approved and that any one director for the time being is hereby authorised to enter into the contract on behalf of the Company and to fulfil all obligations of the Company thereunder,
- 2 Subject to the passing of resolution numbered 6 below, 150 Ordinary Shares of £1 each in the capital of the Company (being those shares held by David Frederick Harvey) be and are hereby re-classified as 150 Ordinary B Shares of £1 each in the capital of the Company having the rights and being subject to the restrictions set out in the Articles of Association adopted pursuant to the resolution numbered 6 set out below,
- 3 Subject to the passing of resolution numbered 6 below, 300 Ordinary Shares of £1 each in the capital of the Company (being those shares held by Antony James Harvey) be and are hereby re-classified as 300 Ordinary A Shares of £1 each in the capital of the Company having the rights and being subject to the restrictions set out in the Articles of Association adopted pursuant to the resolution numbered 6 set out below, and

- 4 Subject to the passing of resolution numbered 6 below, 30 Ordinary Shares of £1 each in the capital of the Company (being those shares held by Gregory Harvey) be and are hereby re-classified as 30 Ordinary C Shares of £1 each in the capital of the Company having the rights and being subject to the restrictions set out in the Articles of Association adopted pursuant to the resolution numbered 6 set out below,

SPECIAL RESOLUTIONS

- 5 That the prohibition of financial assistance contained in Article 10 of the Table A articles of association which apply to the Company, be dis-applied for the purposes of the Buyback, and
- 6 That the new Articles of Association in the form attached to this resolution be approved and adopted as the Articles of Association of the Company in substitution for and to the entire exclusion of the existing Articles of Association with new "Ordinary A" "Ordinary B" and "Ordinary C" shares added as new classes of shares respectively and with the following rights attaching to each new class of share

Class of Share	
Ordinary A Share	The holder of the Ordinary A Shares shall have full voting, dividend and capital distribution (including on winding up) rights
Ordinary B Shares	The holder of the Ordinary B Shares shall have no right to receive notice of, or to attend any/or no right to vote at any meeting/general meeting of the Company (including but not limited to no rights to receive and/or to vote on any proposed written resolution(s)) no right to any dividend and no right to a return on capital (including on winding up)
Ordinary C Shares	The holder of the Ordinary C Shares shall have full voting, dividend and capital distribution (including on winding up) rights

Signed



Antony Harvey – F.H Harvey & Sons (Decorators) Limited

Dated

Private Company Limited by Shares
Articles of Association
of
F H Harvey & Sons (Decorators) Limited
(Incorporated in England and Wales under registered no 00890252
adopted by special resolution passed on 20th December
2016
]

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Private Company Limited By Shares

Articles of Association of F.H. Harvey & Sons (Decorators) Limited

(Incorporated in England and Wales under registered no **00890252**

(Adopted by Special Resolution passed on 2016)

1 Model Articles

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

1.2 The whole of Model Articles 6(2), 7, 8, 11(2), 11(3), 12, 13, 14(1), 14(2), 14(3), 14(4), 14(5), 16, 17, 22, 26(5), 39, 44(2), 50, 51, 52 and 53 shall not apply to the Company

2 Definitions and Interpretation

2.1 In these articles, unless the context otherwise requires, the following expressions shall have the following meanings:

A Director means any director who is also a holder of the A Ordinary Shares,

A Ordinary Shares means the A ordinary shares of £1 each in the capital of the Company,

Articles means these articles of association of the Company as constituted under Article 1.1 (as amended from time to time),

B Ordinary Shares means the B ordinary shares of £1 each in the capital of the Company,

Board means the board of directors of the Company from time to time,

Business Day means a day, other than a Saturday, Sunday or public holiday, on which clearing banks are open for non-automated commercial business in the City of London and **Business Days** means more than one of them;

Buyer shall be as defined in Article 13.2;

C Ordinary Shares means the C ordinary shares of £1 each in the capital of the Company;

CA 2006 means the Companies Act 2006,

Company means F H Harvey & Sons (Decorators) Limited, registered number 00890252

Compulsory Transfer Event shall be as defined in Article 13.1;

Compulsory shall be as defined in Article 13.2;

Transfer Notice

Confidential Information	means all data or information (whether technical, commercial, financial or of any other type) in any form used in or relating to the business of any Group Company, including information relating to products (bought, manufactured, produced, distributed or sold), services (bought or supplied), operations, processes, formulae, methods, plans, strategy, product information, know-how, design rights, trade secrets, market opportunities, customer lists, commercial relationships, marketing, sales materials and general business affairs, and which are for the time being confidential to the relevant Group Company;
Continuing Shareholder	shall be as defined in Article 12.3;
Defaulting Shareholder	shall be as defined in Article 13 1;
Director	means a director of the Company from time to time;
Drag Along Notice	shall be as defined in Article 14.1,
Eligible Director	means a Director who would be entitled to vote on the matter if proposed as a resolution at a meeting of Directors,
Fair Value	shall be as defined in Article 13.3,
Group	means the Company and each of its subsidiaries and Group Company means any of them;
Group Company Interest	shall be as defined in Article 5.3,
Independent Expert	means a partner of at least 10 years' standing at a leading UK firm of accountants (acting as an expert and not as an arbitrator) nominated by the parties concerned or, in the event of disagreement as to nomination, appointed by the President from time to time of the Institute of Chartered Accountants in England and Wales;
Model Articles	means the model articles for private companies limited by shares contained in Schedule 1 to the Companies (Model Articles) Regulations 2008, SI 2008/3229, as at the date of adoption of these Articles;
Permitted Transferee	means, in relation to an individual Voting Shareholder, that Shareholder's spouse or child (including any step or adopted child) or the trustees of a trust whose only beneficiaries for the time being comprise that Shareholder, his spouse and all or any of his children (including any step or adopted children) and, in relation to the trustees for the time being of such a trust, means their successor trustees or

any beneficiaries of the trust

Proposed Buyer	shall be as defined in Article 15 1;
Proposed Sale	shall be as defined in Article 15.1;
Seller	shall be as defined in Article 12 2;
Share	means share in the capital of the Company;
Shareholder	means any holder of any Share from time to time;
Shareholder Communication	means any notice, resolution, document or information which the Company wishes or is required to communicate with Shareholders or other persons,
Share Buy Back Agreement	means the off market purchase agreement made between the Company and David Harvey of even date;
Tag Along Notice	shall be as defined in Article 15.1;
Third Party	shall be as defined in Article 14 1,
Transfer Notice	shall be as defined in Article 12 3; and
Voting Shareholders	means the holders of the A Ordinary Shares and the C Ordinary Shares.

2 2 In these Articles, unless the context otherwise requires.

2 2 1 if used, the words and expressions defined in sections 250 (director), 251 (shadow director), 390 (a company's financial year), 391 (accounting reference periods and accounting reference date), 540 (shares), 738 (debenture), 1159 (subsidiary, wholly-owned subsidiary and holding company), 1161 (undertaking), 1162 (parent undertaking and subsidiary undertaking) and 1173 (minor definitions. general) of the CA 2006 have the same meanings in these Articles;

2.2.2 each gender includes the other gender;

2 2 3 the singular includes the plural and vice versa;

2 2.4 references to persons include individuals, unincorporated bodies and partnerships (whether or not having a separate legal personality), governments, government entities, companies and corporations and any of their successors, permitted transferees or permitted assignees;

2.2.5 the words 'include', 'includes' and 'including' are deemed to be followed by the words 'without limitation';

- 2.2.6 the words and phrases 'other', 'including' and 'in particular' or similar words shall not restrict the generality of any preceding words or be construed as being limited to the same class, acts, things or matters as the preceding words where a wider construction is possible;
- 2.2.7 the contents table and the descriptive headings to provisions in these Articles are inserted for convenience only, have no legal effect and shall be ignored in the interpretation of these Articles,
- 2 2 8 references to legislation include any modification or re-enactment thereof but exclude any re-enactment or modification after the date of these Articles to the extent they make any party's obligations more onerous or otherwise adversely affect the rights of any party;
- 2 2 9 references to 'law' include any legislation, any common or customary law, constitution, decree, judgment, order, ordinance, treaty or other legislative measure in any jurisdiction and any directive, request, requirement, guidance or guideline (in each case, whether or not having the force of law but, if not having the force of law, compliance with which is in accordance with the general practice of persons to whom the directive, request, requirement, guidance or guideline is addressed);
- 2 2 10 references to books, records or other information include paper, electronically or magnetically stored data, film, microfilm, and information in any other form;
- 2.2.11 references to 'writing' or 'written' include faxes and any other method of reproducing words in a legible and non-transitory form (excluding email)
- 2 2 12 a person shall be deemed to be 'connected' with another if that person is connected with such other within the meaning of section 1122 of the Corporation Tax Act 2010;
- 2.2.13 any English legal term for any legal document, action, remedy, judicial proceeding, court, official, or any other legal concept shall, in relation to any jurisdiction other than England and Wales, be deemed to include the term which most nearly approximates in that jurisdiction to the English legal term

3 Alternate Directors

- 3 1 Any Director (other than an alternate director) (the **appointor**) may appoint any other Director or any other person whomsoever (except for an existing Director representing the other class of Shares) to be an alternate director and may remove from office an alternate director so appointed. Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the Directors.
- 3.2 For the purposes of these Articles, an alternate director appointed by an A Director shall be deemed to be an A Director.
- 3 3 An alternate director has the same rights, in relation to any Directors' meeting or Directors' written resolution, as the alternate's appointor.
- 3 4 Except as these Articles specify otherwise, alternate directors are:

- 3.4.1 deemed for all purposes to be Directors;
 - 3.4.2 liable for their own acts and omissions;
 - 3.4.3 subject to the same restrictions as their appointors; and
 - 3.4.4 not deemed to be agents of or for their appointors.
- 3.5 An alternate director may be paid expenses as if he were a Director but shall not be entitled to receive from the Company any fee in his capacity as an alternate director except only such part (if any) of the remuneration otherwise payable to the Director appointing him as such Director may by notice in writing to the Company from time to time direct. An alternate director who is absent from the United Kingdom shall be entitled to receive notice of all meetings of the Directors and of all meetings of committees of Directors of which his appointor is a member at such address as he shall have notified to the secretary.
- 3.6 Every person acting as an alternate director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director) but he shall count as only one Director for the purpose of determining whether a quorum is present. The signature of an alternate director to any resolution in writing of the Directors or of a committee of the Directors shall, unless notice of his appointment provides to the contrary, be as effective as the signature of his appointor.
- 3.7 An alternate director's appointment as an alternate terminates.
- 3.7.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
 - 3.7.2 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,
 - 3.7.3 on the death of the alternate's appointor, or
 - 3.7.4 when the alternate's appointor's appointment as a Director terminates.
- 4 Proceedings of Directors**
- 4.1 Subject to the provisions of these Articles, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.
- 4.2 All business arising at any meeting of the Directors or of any committee of the Directors shall be determined only by resolution and no resolution shall be effective unless carried by a majority including at least one Director. No resolution may be proposed or passed at any such meeting unless the nature of the business to which the resolution relates is included in the agenda for the meeting or unless all the Directors agree in writing.
- 4.3 A decision of the Directors may also take the form of a resolution in writing, copies of which have been signed by each Eligible Director or to which each Eligible Director has otherwise indicated agreement in writing, provided that such Eligible Directors would have formed a quorum if the matter had been proposed as a resolution at a meeting of Directors.

- 4.4 The quorum for a meeting of directors shall and unless otherwise fixed be two provided that at all times one of those directors must be the A Director:
- 4 5 If and so long as there is only one director:
- 4 5.1 the quorum shall be one; and
- 4.5 2 for the purposes of any meeting held pursuant to article 5 to authorise a director's conflict, if there is only one director besides the director concerned and directors with a similar interest, the quorum shall be one
- 4.6 A committee of the Directors shall include an A Director If a quorum is not present within 30 minutes of the time fixed for the relevant meeting, the meeting shall be adjourned for 7 Business Days at the same time and place. If a quorum is not present within 30 minutes of the time fixed for the adjourned meeting, those Directors present will constitute a quorum
- 4.7 Where, pursuant to the CA 2006 or these Articles or otherwise, in relation to a matter being considered at a meeting of Directors or of a committee of Directors, a Director cannot count towards the quorum and, if he votes, his vote will not be counted, the other Director or Directors present, whatever their number and their designations, shall constitute a quorum for the purposes of considering that matter only.
- 4 8 The post of chairman of the Board will be held by the A Director The chairman shall have a casting vote.
- 4 9 Any Director or alternate director may validly participate in a meeting of the Board through telephone conference or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote Subject to the CA 2006, all business transacted in such manner by the Board or a committee of the Board shall for the purpose of these Articles be deemed to be validly and effectively transacted at a meeting of the Board or a committee of the Board notwithstanding that a quorum of Directors is not physically present in the same place. If the Directors cannot or do not decide upon where such a meeting shall be deemed to take place, then it shall be where the chairman of the meeting is located
- 4 10 A Director who is absent from the United Kingdom shall be entitled to receive notice of all meetings of Directors and meetings of committees of Directors
- 5 Conflicts of Interest**
- 5 1 If a situation arises or exists in which a Director has or could have a direct or indirect interest that conflicts, or may potentially conflict, with the interests of the Company (other than an interest arising in relation to a transaction or arrangement with the Company or in circumstances which cannot reasonably be regarded as likely to give rise to a conflict of interest), without prejudice to the provisions of Articles 5.3 to 5 6, the Director concerned, or any other Director, may propose to the Board that such situation be authorised, such proposal to be made in writing and delivered to the other Directors or made orally at a meeting of the board, in each case setting out

particulars of the relevant situation. Subject to the CA 2006, the Directors may authorise such situation and the continuing performance by the relevant Director of his duties as a Director on such terms as they may think fit

- 5.2 The relevant Director shall not be counted in the quorum at the relevant meeting of the Directors to authorise such situation nor be entitled to vote on the resolution authorising such situation
- 5.3 Subject to compliance by him with his duties as a Director under Part 10 of the CA 2006 (other than the duty in section 175(1) of the CA 2006 which is the subject of this Article 5.3), a Director may, at any time, notwithstanding his office or the existence of an actual or potential conflict between the interests of the Company and those of a Group Company which would fall within the ambit of that section 175(1), be a director or other officer of, employed by or otherwise interested, whether directly or indirectly, in any other Group Company (the **Group Company Interest**) and the relevant Director:
- 5.3.1 shall be entitled to attend any meeting or part of a meeting of the Directors or a committee of the Directors at which any matter which may be relevant to the Group Company Interest may be discussed, and to vote on any resolution of the Directors or a committee thereof relating to such matter, and any board papers relating to such matter shall be provided to the relevant Director at the same time as the other Directors;
- 5.3.2 shall not be obliged to account to the Company for any remuneration or other benefits received by him in consequence of any Group Company Interest, and
- 5.3.3 will not be obliged to disclose to the Company or use for the benefit of the Company any confidential information received by him by virtue of his Group Company Interest and otherwise than by virtue of his position as a Director, if to do so would breach any duty of confidentiality to any other Group Company or third party
- 5.4 Any Director who has a Group Company Interest shall, as soon as reasonably practicable following the relevant interest arising, disclose to the Board the existence of such interest and the nature and extent of such interest so far as the relevant Director is able at the time the disclosure is made provided that no such disclosure is required to be made of any matter in respect of which the relevant Director owes any duty of confidentiality to any third party. A disclosure made to the Board under this Article 5.4 may be made either at a meeting of the Board or by notice in writing to the Company marked for the attention of the company secretary, or if there is no company secretary, to the other Directors.
- 5.5 Notwithstanding the provisions of Article 5.4, the holders of a majority of the issued A Ordinary Shares from time to time may, at any time, by notice in writing to the Company, direct that any Group Company Interest be submitted to the Voting Shareholders for authorisation. Where the Voting Shareholders authorise the relevant interest, the provisions of 5.3.1 to 5.3.3 (in the case of a Group Company Interest) shall apply.
- 5.6 No contract entered into shall be liable to be avoided by virtue of:

- 5 6.1 any Director having an interest of the type referred to in Article 5 1 where the relevant situation has been approved as provided by that Article; or
- 5 6.2 any Director having a Group Company Interest which falls within Article 5.3 or which is authorised pursuant to Article 5.1
- 5 7 The provisions of Articles 5 1 to 5.6 shall not apply to a conflict of interest which arises in relation to an existing or proposed transaction or arrangement with the Company but the following provisions of this Article 5 7 and Article 5.8 shall so apply. Any Director may be interested in an existing or proposed transaction or arrangement with the Company provided that he complies with the CA 2006.
- 5 8 Without prejudice to the obligation of each Director to declare an interest in accordance with the CA 2006, a Director may vote at a meeting of the Board or of a committee of the Board on any resolution concerning a matter in which he has an interest, whether direct or indirect, which relates to a transaction or arrangement with the Company, or in relation to which he has a duty Having so declared any such interest or duty he may have, the Director shall be counted in the quorum present when any such resolution is under consideration and if he votes on such resolution his vote shall be counted
- 6 Appointment and Removal of Directors**
- 6 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:
- 6.1 1 by ordinary resolution, or
- 6.1.2 by a decision of the Directors.
- 6 2 If the company has no directors and, by virtue of death or bankruptcy, no member is capable of acting, the transmitttee of the last member to have died or to have had a bankruptcy order made against him has the right, by notice in writing, to appoint a person to be a director.
- 6 3 For the purposes of article 6 2, where two or more members die in circumstances rendering it uncertain who was the last to die, a younger member is deemed to have survived an older member.
- 6 4 Any member or members holding a majority in nominal amount of the issued ordinary share capital that confers the right to attend and vote at general meetings may at any time appoint any person to be a director, whether as an additional director or to fill a vacancy, and may remove from office any director howsoever appointed and any alternate director. Any such appointment or removal shall be effected by notice in writing to the company by the relevant member or members. Any such appointment or removal shall take effect when it is delivered to the registered office of the company or, if it is produced at a meeting of the directors, when it is so produced or, if sent by electronic means to an address generally used by the company, when it is sent (and article 19 not apply to it). Any such removal shall be without prejudice to any claim that a director may have under any contract between him and the company.

7 Company Secretary

7.1 The Directors may appoint a company secretary for such term, at such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them.

7.2 Model Article 19 shall apply to the company secretary by insertion of the words 'company secretary' in place of 'directors' in the first instance it appears.

8 Share Capital

8.1 The issued share capital of the Company at the date of the adoption of these Articles is 480 shares of £1 divided into:

8.1.1 300 A Ordinary Shares;

8.1.2 150 B Ordinary Shares; and

8.1.3 30 Ordinary C Shares

8.2 The A Ordinary Shares, B Ordinary Shares and the C Ordinary Shares shall constitute different classes of shares for the purposes of the CA 2006 and shall have the rights as set out in these Articles

8.3 The B Ordinary Share shall have

8.3.1 no right to receive notice of, or to attend any/or no right to vote at any meeting/general meeting of the Company (including but not limited to no rights to receive and/or to vote on a proposed written resolution(s);

8.3.2 no right to a return on capital, whether on a sale of shares and/or on winding up

8.3.3 no right to any dividend

and in accordance with section 567 of the Companies Act 2006, section 561 and 562 of the companies act 2006 shall not apply.

8.4 The A Ordinary Shares and the C Ordinary Shares shall rank pari passu in all respects and shall have full voting, dividend and capital distribution (including on winding up) rights

8.5 The rights conferred on each of the holders of the A Ordinary Shares and on each of the holders of the B Ordinary Shares and on each of the holders of C Ordinary Shares shall be deemed to be varied by:

8.5.1 the creation or issue of any further shares (whether ranking equally, in priority to them or subsequent to them);

8.5.2 any reduction, subdivision, consolidation, redenomination, purchase, redemption or other alteration by the Company of the Company's share capital; or

8.5.3 any amendment to these Articles

9 Variation of Rights

9.1 The rights attached to any class of Shares may from time to time, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of

the holders of not less than 75% in nominal value of the issued Shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of that class of Shares, but not otherwise.

- 9 2 The provisions of these Articles relating to general meetings of the Company or to their proceedings (and adjournments) shall, with the necessary changes being made, apply to every separate meeting of the holders of any class of Share, except that:

9.2.1 the necessary quorum shall be one person holding or representing by proxy at least one third in nominal amount of the issued Shares of that class;

9 2.2 every holder of Shares of the class present in person or by proxy shall be entitled on a poll to one vote for every such Share held by it; and

9.2 3 any holder of Shares of the class present in person or by proxy may demand a poll

10 Issue of Shares

- 10.1 No Shares shall be allotted nor any right to subscribe for or to convert any security into Shares shall be granted without the prior written consent of the holder of the A Ordinary Shares and subject to complying with the provisions of any shareholders agreement

- 10 2 Subject to Article 10 1, the Directors shall be generally and unconditionally authorised for the purposes of section 551 of the CA 2006 to exercise all the powers of the Company to allot (or grant rights to subscribe for or to convert any security into) shares up to an aggregate nominal amount of £1 in the share capital of the company during the period from the date of adoption of these Articles until the fifth anniversary of that date unless the authority is varied or revoked or renewed by the Company in general meeting, provided that this authority shall entitle the Directors to make at any time before the expiry of this authority an offer or agreement which will or may require relevant securities to be allotted after the expiry of the authority.

- 10.3 Sections 561 and 562 of the CA 2006 shall not apply the Company.

11 Prohibited Share Transfers

- 11 1 In these Articles, a reference to the transfer of a Share shall mean either or both.

11 1 1 the transfer of either or both of the legal and beneficial ownership in the Share; and

11.1 2 the grant of an option to acquire either or both of the legal and beneficial ownership in the Share

- 11.2 The following shall be deemed, without limitation, to be a transfer of a Share:

11 2.1 any sale or other disposition of any legal or equitable interest in a Share (including any voting right attached thereto) and whether or not by the registered holder thereof and whether or not for consideration or otherwise and whether or not effected by an instrument in writing;

11.2.2 any direction (by way of renunciation or otherwise) by a Shareholder entitled to an allotment or issue of any Share that such Share be allotted or issued to some person other than himself, and

11 2 3 any grant of a legal or equitable mortgage or charge over any Share.

- 11 3 Any person who holds, or becomes entitled to, any of the Ordinary A or Ordinary C Shares shall not, except with the prior written consent, or in accordance with a prior written agreement, of each of the holders of the A Ordinary Shares and the C Ordinary Shares, effect a transfer of any such Shares, except in accordance with Article 12 (Permitted Share Transfers), Article 13 (Compulsory Transfers), Article 14 (Drag Along) or Article 15 (Tag Along). The holder of the Ordinary B Shares shall not effect a transfer of any of its Shares except in accordance with the Share Buy Back Agreement.
- 11 4 Subject to Article 11 5, the Directors shall be obliged to register any duly stamped transfer made in accordance with these Articles, but any transfer or purported transfer of any Shares made otherwise than in accordance with these Articles shall be void and of no effect and the Directors shall refuse to register that transfer
- 11 5 The Directors may, as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed agreeing 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 (provided that the transferee's obligations or liabilities thereunder are not greater than those of the proposed transferor) If any such condition is imposed, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 11 6 The A Director may at any time require any Shareholder to provide the Company with such information and evidence relating to the Shares registered in its name as such Directors may reasonably require to determine whether there has been a transfer of any such Shares in breach of these Articles If such information or evidence is not provided to the Board to the reasonable satisfaction of such Directors within five Business Days of the request being made, such Directors may serve a notice on the Shareholder stating that the Shares which were the subject of the request shall cease to confer any rights to vote (in any general meeting or class meeting or on any written resolution) or to receive dividends until such information or evidence has been provided to the satisfaction of such Directors

12 Permitted Share Transfers

- 12 1 The Voting Shareholders (the **Transferor**) may at any time transfer all and in the case of holder of the A Ordinary Share and/or some of its Shares to a Permitted Transferee (the **Transferee**) without being required to serve a transfer notice or comply with the pre-emption procedure set out in this Article 12 If the transferee ceases to be a Permitted Transferee at any time, the Transferee must forthwith transfer all such Shares back to the Transferor (or, as the case may be, to another Permitted Transferee). If the Transferee fails to effect such transfer within five Business Days of its ceasing to be a Permitted Transferee, the Company may, in accordance with Article 16.1 execute a transfer of the relevant Shares on behalf of the Transferee and register the Transferor as the holder of such Shares
- 12.2 The Voting Shareholders (the **Seller**) may at any time transfer all (and in the case of the holder of the A Ordinary Shares and/or some) of its Shares to any person for cash

and not on deferred terms provided that it complies with the provisions of Articles 12.3 to 12.8

- 12.3 The Seller must first give the other Voting Shareholder (the **Continuing Shareholder**) an irrevocable notice in writing (the **Transfer Notice**) setting out details of the proposed transfer, including the identity of the proposed buyer, the number of Shares intending to be sold, and the price per Share agreed with such buyer (the **Proposed Sale Price**). The Transfer Notice shall constitute an offer by the Seller to sell its Shares to the Continuing Shareholder on the same terms subject to complying with the remaining provisions of these Articles.
- 12.4 A Transfer Notice (or Compulsory Transfer Notice (as per Article 13.2)) constitutes the Company as agent of the Seller for the sale of the Shares
- 12.5 The transfer price for each Share subject to the Transfer Notice shall be unless agreed in any shareholders agreement and/or any other share sale agreement be the Fair Value as determined in accordance with Article 13.3 (the **Transfer Price**)
- 12.6 As soon as practicable following the determination of the Transfer Price, the Board shall offer the Shares for sale to the Continuing Shareholder (excluding any Continuing Shareholder whose Shares are, at the date of the Transfer Notice, the subject of a Compulsory Transfer Notice and/or any other agreement for sale) inviting them to apply to the Company in writing within the period from the date of the offer to the date 30 Business Days after the offer (both dates inclusive) for the maximum number of Shares they wish to buy. Each offer shall be in writing and give details of the number and Transfer Price of the Shares offered
- 12.7 If the Continuing Shareholder gives written notice to the Seller within 20 Business Days of receiving the Transfer Notice that it wishes to buy all the Seller's Shares at the price per Share set out in the Transfer Notice, the Continuing Shareholder will be bound to buy and the Seller will be bound to sell all of the Seller's Shares on such terms
- 12.8 If the Continuing Shareholder does not notify the Seller that it wishes to buy its Shares within the time period specified in Article 12.7, the Seller may transfer all of its Shares subject to the Transfer Notice at any time within 20 Business Days of the expiry of such time period to the buyer identified in the Transfer Notice (subject to the provisions of Article 14 and Article 15 where applicable) at a price not less than the Transfer Price

13 Compulsory Transfers

- 13.1 A Compulsory Transfer Event shall be deemed to have occurred in relation to a Voting Shareholder if that Voting Shareholder.
- 13.1.1 is adjudged bankrupt or dies or becomes a patient for the purposes of any statute relating to mental health,
- 13.1.2 enters into any voluntary composition or arrangement with his creditors.
- 13.2 If a Compulsory Transfer Event occurs in relation to a Voting Shareholder (the **Defaulting Shareholder**), that Voting Shareholder shall be deemed immediately upon the occurrence of such Compulsory Transfer Event to have given the other Voting Shareholder (the **Buyer**) an irrevocable notice (the **Compulsory Transfer**

Notice) offering to sell all (but not some only) of its Shares either at their Fair Value determined in accordance with Article 13.3 or at the value as specified in any shareholders agreement. Where a Compulsory Transfer Event has occurred and a Compulsory Transfer Notice is deemed to have been given and the circumstances are such that the Buyer is unaware of the facts giving rise to the Compulsory Transfer Event, such Compulsory Transfer Notice shall be deemed to have been received by the Buyer on the date on which the Buyer receives actual notice of such facts and the provisions of this Article 13 shall apply accordingly.

- 13.3 For the purposes of Article 13.1 and/or 12.5, **Fair Value** means such price as the Voting Shareholders shall agree within 10 Business Days of the date of the deemed Compulsory Transfer Notice or Transfer Notice, or failing such agreement, as determined by the Independent Expert, in which case:
- 13.3.1 the Voting Shareholders shall immediately instruct the Independent Expert to determine the Fair Value on the basis which, in his opinion, represents a fair price for the relevant Shares at the date of the Compulsory Transfer Notice as between a willing seller and a willing buyer,
 - 13.3.2 the Independent Expert shall act as an expert and not an arbitrator (and the Arbitration Act 1996 shall not apply);
 - 13.3.3 the Independent Expert shall certify the Fair Value as soon as possible after being instructed to do so and such certificate shall be final and binding (in the absence of manifest error), and
 - 13.3.4 the costs and expenses of the Independent Expert shall be borne by the Defaulting Shareholder in the case of a Compulsory Transfer or as the Independent Expert may otherwise determine
- 13.4 The Buyer shall be entitled, within 20 Business Days of the determination of the Fair Value in accordance with Article 13.3 or where the value has already been determined in any shareholders agreement, within 20 Business Days of the date of the deemed Compulsory Transfer Notice, to give written notice to the Defaulting Shareholder requiring it to sell all (but not some only) of its Shares to the Buyer at the Fair Value and, if the Buyer gives such notice, the Buyer will be bound to buy and the Defaulting Shareholder will be bound to sell all of the Defaulting Shareholder's Shares on such terms.
- 13.5 If the Defaulting Shareholder defaults in transferring any of its Shares pursuant to this Article 13, the Company.
- 13.5.1 may receive the relevant purchase money,
 - 13.5.2 may pursuant to Article 16.1, or may nominate some person pursuant to Article 16.1 to, execute as an attorney an instrument of transfer of the Defaulting Shareholder's Shares in the name and on behalf of the Defaulting Shareholder,
 - 13.5.3 shall cause the name of the Buyer to be entered in the register of members as the holder of such Defaulting Shareholder's Shares when the instrument of transfer has been duly stamped (if required); and

13.5 4 shall hold the purchase money on trust (without interest) for the Defaulting Shareholder, the receipt of the Company for the purchase money being a good discharge to the Buyer (who shall not be bound to see to the application of the purchase money)

14 Drag Along

14.1 If, at any time the holder of the A Ordinary Shares in issue for the time being (for the purposes of Article 14 and Article 15, the **Seller**) wishes to transfer all (but not some only) of its A Ordinary Shares Representing at least 51% of the Shares in issue for the time being to a bona fide third party (the **Third Party**), the Seller shall be entitled to give written notice to the holder of the C Ordinary Shares (the **C Shareholder**) (the **Drag Along Notice**) requiring the C Shareholder to sell to the Third Party all of the C Shareholder's Shares upon the terms and conditions specified in the Drag Along Notice. The C Shareholder waives his pre-emption rights whether in the Articles or otherwise in respect of the Shares to be sold to the Third Party pursuant to this Article 14

14.2 The terms on which the Seller requires the C Shareholder to sell its Shares must be no less favourable than the terms on which the Seller is selling its Shares to the Third Party

14.3 The Drag Along Notice must specify.

14.3 1 the details of the Third Party;

14.3 2 the price payable for each Share and other consideration (if any) to be received (directly or indirectly) by the Seller; and

14.3 3 any other material terms upon which the C Shareholder's Shares shall be purchased pursuant to the Drag Along Notice

14.4 If the C Shareholder shall not, within five Business Days of being required to do so, execute and deliver transfers in respect of the Shares held by him and deliver the certificates in respect of the same (or a suitable indemnity in lieu thereof), then the Seller may require the Company or a person nominated by the Company to execute as an attorney pursuant to Article 16.1 the necessary transfers and indemnities on the C Shareholder's behalf and, against receipt by the Company (on trust for such Continuing Shareholder) of the consideration payable for the relevant Shares, deliver such transfers and certificates or indemnities to the Third Party (or his nominee) and register such Third Party (or his nominee) as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person.

14.5 The C Shareholder is not obliged to sell its Shares in accordance with this Article 14 if the Seller does not complete the sale of all its Shares to the Third Party on the same terms and conditions as set out in the Drag Along Notice.

15 Tag Along

15.1 If, after having given a Transfer Notice to the C Shareholder and having complied with the provisions of Article 12, the Seller wishes to transfer all (but not some only) of its A Ordinary Shares to a bona fide third party (the **Proposed Buyer**) in one or a series of related transactions, and such transfer would when registered result in that person (together with persons connected or acting in concert with him) holding or

increasing his holding to 90% or more of the issued equity share capital of the Company (the **Proposed Sale**), the Seller shall give written notice (the **Tag Along Notice**) to the C Shareholder of the Proposed Sale at least 10 Business Days prior to the proposed date of completion thereof.

15.2 The Tag Along Notice must specify.

15.2.1 the details of the Proposed Buyer,

15.2.2 the sale price for each Share and other consideration (if any) to be received (directly or indirectly) by the Seller; and

15.2.3 any other material terms upon which the Shares are to be purchased.

15.3 The Proposed Sale may not be completed unless the Proposed Buyer has unconditionally offered to buy all the other issued Shares (other than any Shares already owned by the Proposed Buyer or persons connected or acting in concert with him) on the same terms and conditions as apply to the Proposed Sale. Such offer shall remain open for acceptance for not less than 15 Business Days

15.4 The provisions of this Article 15 shall not apply to any Proposed Sale which is permitted under Article 12 or which is to take place pursuant to a Drag Along Notice under Article 14

16 Power of Attorney

16.1 Each Voting Shareholder hereby irrevocably appoints the Company as its attorney (with the power to appoint any member of the Board as a substitute and to delegate to that substitute all or any powers hereby conferred, other than this power of substitution, as if he had been originally appointed by this power of attorney) to give effect to the provisions of these Articles

17 General Meetings

17.1 No business shall be transacted at any general meeting unless a quorum of Shareholders is present at the commencement of the business and also when such business is voted upon. The quorum at any general meeting shall be two persons present in person or by proxy, one person being or representing a holder of any of the A Ordinary Shares. If a quorum is not present within 30 minutes of the time fixed for the relevant meeting, the meeting shall be adjourned for 7 Business Days at the same time and place. Notice of an adjourned meeting shall be given to all the Shareholders. If a quorum is not present within 30 minutes of the time fixed for the adjourned meeting, those Shareholders present will constitute a quorum.

17.2 The chairman of the Board from time to time shall chair general meetings. If the chairman is unable to attend any general meeting, the Shareholder who appointed him shall be entitled to appoint another of its nominated directors present at the meeting to act as chairman at the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.

17.3 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands, a poll is duly demanded. Subject to the provisions of the CA 2006, a poll may be demanded at any general meeting by the chairman, or by any Shareholder present in person or by

proxy and entitled to vote or by a duly authorised representative of a corporation which is a Shareholder entitled to vote. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall not have a casting vote

- 17 4 An instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Board must be delivered to the registered office of the Company not less than 48 hours before the time appointed for the holding of the meeting (or any adjournment of that meeting) or to the place of the meeting at any time before the time appointed for the holding of the meeting (or any adjournment of that meeting). A notice revoking the appointment of a proxy must be given in accordance with the CA 2006.

18 Voting

- 18 1 The voting rights attached to A Ordinary Shares and C Ordinary Shares shall be:

18 1.1 on a written resolution, every Shareholder holding A Ordinary Shares or C Ordinary Shares shall have one vote for each A Ordinary Share and one vote for each C Ordinary Share held by it; and

18 1.2 on a resolution to be passed at a general meeting of the Company, every Shareholder present in person or by proxy or by a representative shall have:

- (a) on a show of hands, one vote each; and
- (b) on a poll, one vote for each A Ordinary Share and one vote for each C Ordinary Share of which it is the holder

19 Notices

- 19.1 Subject to the specific terms of these Articles, any notice to be given to or by any person pursuant to these Articles (other than a notice calling a meeting of the Board or a committee thereof) shall be in writing

- 19 2 Any Shareholder Communication may be served by the Company on, or supplied by the Company to, a Shareholder or other person.

19 2 1 personally;

19.2 2 by sending it by first-class post in a pre-paid envelope addressed to such Shareholder or other person at his postal address (as appearing in the Company's register of members in the case of Shareholders), or

19 2.3 except in the case of share certificates or a notice to be given under Article 12, Article 13, Article 14 or Article 15, by sending or supplying it.

- (a) in electronic form (as specified by section 1168(3) of the CA 2006 and otherwise complying with the requirements of section 1168); or
- (b) by website communication in accordance with the provisions of the CA 2006 and the Electronic Communications Act 2000

- 19.3 In the case of a Shareholder Communication validly:

19 3 1 sent by post, proof that an envelope containing the communication was properly addressed, pre-paid and posted shall be conclusive evidence that it

was sent and it shall be deemed to be given or received at the expiration of 48 hours after the envelope containing it was posted;

19.3 2 sent in electronic form, it shall be deemed to have been given on the same day as it was sent to the address supplied by the Shareholder; and

19.3 3 made by website communication, it shall be deemed to have been received when it was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that it was available on the website.

19.4 In the case of joint holders of a Share, all Shareholder Communications shall be sent or supplied to the joint holder who is named first in the register, and a Shareholder Communication so sent or supplied shall be deemed sent or supplied to all joint holders

19.5 A Shareholder who has not supplied to the Company either a postal or an electronic address for the service of notices shall not be entitled to receive notices from the Company.

20 Indemnity and Insurance

20.1 Subject to, and on such terms as may be permitted by the CA 2006, the Company may

20.1 1 indemnify, out of the assets of the Company, any director of the Company or any associated company against all losses and liabilities which he may sustain or incur in the performance of the duties of his office or otherwise in relation thereto,

20.1 2 provide a Director with funds to meet expenditure incurred or to be incurred by him in defending any civil or criminal proceedings brought or threatened against him or in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority, in either case in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or another Group Company and the Company shall be permitted to take or omit to take any action or enter into any arrangement which would otherwise be prohibited under the CA 2006 to enable a Director to avoid incurring such expenditure; and

20.1 3 purchase and maintain insurance for any Director or any director of any other Group Company against any liability attaching to any such person in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or any such Group Company.