

COMPANY NUMBER 00894329
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTIONS
OF
HENRY STREET PROPERTY COMPANY LIMITED
(the "Company")

On the day of 2011 the following Special Resolutions were duly passed

SPECIAL RESOLUTION 1

"That all the provisions of the Company's memorandum of association which, by virtue of section 28 Companies Act 2006, are to be treated as provisions of the Company's articles of association be deleted, save for paragraph 4 thereof relating to the limited liability of the members "


SPECIAL RESOLUTION 2

"That the articles of association initialled by the Chairman for the purpose of identification be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association "


SPECIAL RESOLUTION 3

"That the directors of the Company accordingly be authorised to allot shares without restriction under section 550 Companies Act 2006 "

DATED 12th APRIL 2011


CHAIRMAN

TUESDAY


A28 *AM327TFG* 239
19/04/2011
COMPANIES HOUSE

**Articles of Association
of
Henry Street Property Company Limited**

CONTENTS

CLAUSE

1	Interpretation	1
2	Unanimous decisions	6
3	Directors' meetings	6
4	Quorum for directors' meetings	6
5	Casting vote	7
6	Transactions or other arrangements with the Company	7
7	Directors' conflicts of interest	8
8	Records of decisions to be kept	9
9	Number of directors	9
10	Appointment of directors	10
11	Secretary	10
12	Further issues of shares pre-emption rights	10
13	Transfer of shares	11
14	Permitted transfers	12
15	Transfer of shares subject to pre-emption rights	13
16	Compulsory Transfers	17
17	Fair Value	19
18	Tag along rights on a change of control	20
19	Drag along	21
20	Quorum for general meetings	23
21	Poll votes	23
22	Means of communication to be used	23
23	Indemnity	24
24	Insurance	25



Company Number: 894329

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

HENRY STREET PROPERTY COMPANY LIMITED

(Adopted by special resolution passed on 12th APRIL 2011)

Introduction

1. Interpretation

1.1 In these Articles, unless the context otherwise requires

Accepting Shareholder: has the meaning given in Article 18.5,

Act: means the Companies Act 2006,

Acting in Concert: has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time),

Allocation Notice: has the meaning given in Article 15.10,

Applicant: has the meaning given in Article 15.10,

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

Associate: in relation to any person means any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986,

Auditors: the auditors of the Company for the time being or such firm of accountants as are responsible for the preparation of the statutory accounts of the Company from time to time, as appropriate

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

Business Day: means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business,

Buyer: has the meaning given in Article 18 1,

Called Shares: has the meaning given in Article 19 2 1,

Called Shareholders: has the meaning given in Article 19 1,

Civil Partner in relation to an individual shareholder, means a civil partner as defined in the Civil Partnerships Act 2004,

Completion Date has the meaning given in Article 19 5,

Conflict: has the meaning given in Article 7 1,

Consideration: has the meaning given in Article 15 10,

Continuing Shareholders: has the meaning given in Article 15 8,

Controlling Interest: means an interest in shares giving to the holder or holders control of the Company within the meaning of section 840 of the Income and Corporate Taxes Act 1988,

Drag Along Notice: has the meaning given in Article 19 2,

Drag Along Option: has the meaning given in Article 19 1,

eligible director: means 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),

Excess Securities: has the meaning given in Article 12 2 2,

Fair Value: means in relation to shares, as determined in accordance with Article 17,

Family Trust: in relation to an individual shareholder, means a trust or settlement set up wholly for the benefit of that individual shareholder (**Settlor**) and/or the Settlor's Privileged Relations and for the avoidance of doubt reference to a Family Trust does not include the Peter D Fletcher Settlement already in existence at the date of adoption of these articles,

First Offer Period: has the meaning given in Article 15 8,

Group: means the Company and its Subsidiaries (if any) from time to time References to a **Group Company** are to any one or more of those companies,

Holding Company: in relation to a company wherever incorporated (a Subsidiary) means "holding company" as defined in section 1159 of the Act and any other company which is itself a Holding Company (as so defined) of a company which is itself a Holding Company of such Subsidiary Unless the context requires otherwise, the application of the definition of Holding Company to any company at any time shall apply to the company as it is at that time,

Initial Surplus Shares: has the meaning given in Article 15 8,

Minimum Transfer Condition: has the meaning given in Article 15 3 4

Model Articles: means 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,

New Shareholder: has the meaning given in Article 19 10,

Offer: has the meaning given in Article 18 2,

Offer Notice: has the meaning given in Article 18 3,

Offer Period: has the meaning given in Article 18 3,

Offer Shares: has the meaning given in Article 18 3 4,

Original Shareholder: has the meaning given in Article 14 1,

Permitted Transfer means a transfer of shares in accordance with Article 14,

Permitted Transferee in relation to a shareholder who is an individual, means any of his Privileged Relations or the trustees of a Family Trust

Privileged Relation means the spouse, Civil Partner, widow or widower of a shareholder and the shareholder's children and grandchildren (including step and adopted children), and step and adopted children of the shareholder's children,

Proposed Buyer: has the meaning given in Article 19 1,

Proposed Transfer has the meaning given in Article 18 1,

Sale Date has the meaning given in Article 18 3,

Sale Shares: means the shares specified or deemed to be specified for sale in a Transfer Notice,

Second Offer Period: has the meaning given in Article 15 9,

Second Surplus Shares: has the meaning given in Article 15 9,

Seller: means the transferor of shares pursuant to a Transfer Notice,

Seller's Shares: has the meaning given in Article 19 1,

Selling Shareholders: has the meaning given in Article 19 1,

Specified Price: has the meaning given in Article 18 2,

Subsidiary: in relation to a company wherever incorporated (a Holding Company) means "subsidiary" as defined in section 1159 of the Act and any other company which is itself a Subsidiary (as so defined) of a company which is itself a Subsidiary of such Holding Company and a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c) of the Act, as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), whether by way of security or in connection with the taking of security, or (b) its nominee Unless the context requires otherwise, the application of the definition of Subsidiary to any company at any time shall apply to the company as it is at that time, and

Transfer Notice: means a notice in writing given by any shareholder to the Company where that shareholder desires, or is required by these Articles, to transfer or offer for transfer (or enter into an agreement to transfer) any shares, and

Transfer Price: has the meaning given in Article 15 16

- 1 2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles
- 1 3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles
- 1 4 A reference in these Articles to an "Article" is a reference to the relevant Article of these Articles unless expressly provided otherwise

- 1 5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of
- 1 5 1 any subordinate legislation from time to time made under it, and
- 1 5 2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts
- 1 6 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms
- 1 7 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles
- 1 8 Articles 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the Company
- 1 9 Article 7 of the Model Articles shall be amended by
- 1 9 1 the insertion of the words "for the time being" at the end of Article 7(2)(a), and
- 1 9 2 the insertion in Article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may"
- 1 10 Article 20 of the Model Articles shall be amended by the insertion of the words "and the secretary (if any)" before the words "properly incur"
- 1 11 In Article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity"
- 1 12 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under Article 28(2)," after the words "the transmittee's name"
- 1 13 Articles 31(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide"
- 1 14 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that Article

- 1 15 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"
- 1 16 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that Article

Directors

2. Unanimous decisions

- 2 1 A decision of the directors is taken in accordance with this Article when all eligible directors indicate to each other by any means that they share a common view on a matter
- 2 2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing
- 2 3 A decision may not be taken in accordance with this Article if the eligible directors would not have formed a quorum at such a meeting

3. Directors' meetings

Any director may call a directors' meeting by giving not less than 5 Business Days' notice of the meeting (or such lesser notice as all the directors may agree) to each of the directors in writing or by authorising the company secretary (if any) to give such notice

4. Quorum for directors' meetings

- 4 1 Subject to Article 4 2, for so long as there are two directors or more in office, the quorum for the transaction of business at a meeting of directors is any two eligible directors For so long as there is only one director in office, the quorum for the transaction of business at a meeting of the directors is one eligible director
- 4 2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 7 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director

5. Casting vote

If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall not have a casting vote

6. Transactions or other arrangements with the Company

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

6 1 1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested,

6 1 2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested,

6 1 3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested,

6 1 4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director,

6 1 5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested, and

6 1 6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

7. Directors' conflicts of interest

7 1 The directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**)

7 2 Any authorisation under this Article will be effective only if

7 2 1 the matter in question shall have been proposed by any director for consideration at a meeting of directors in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine,

7 2 2 any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question, and

7 2 3 the matter was agreed to without his voting or would have been agreed to if his vote had not been counted

7 3 Any authorisation of a Conflict under this Article may (whether at the time of giving the authorisation or subsequently)

7 3 1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised,

7 3 2 be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine, and

7 3 3 be terminated or varied by the directors at any time

This will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation

7 4 In authorising a Conflict the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to

7 4 1 disclose such information to the directors or to any director or other officer or employee of the Company, or

7 4 2 use or apply any such information in performing his duties as a director, where to do so would amount to a breach of that confidence

- 7 5 Where the directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the director
- 7 5 1 is excluded from discussions (whether at meetings of directors or otherwise) relating to the Conflict,
 - 7 5 2 is not given any documents or other information relating to the Conflict, and
 - 7 5 3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to the Conflict
- 7 6 Where the directors authorise a Conflict
- 7 6 1 the director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the Conflict, and
 - 7 6 2 the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the directors impose in respect of its authorisation
- 7.7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

8. Records of decisions to be kept

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye

9. Number of directors

Unless otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum but shall not be less than one

10. Appointment of directors

In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director, and Article 27(3) of the Model Articles shall be modified accordingly

11. Secretary

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors

12. Further issues of shares: pre-emption rights

12 1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company

12 2 Unless otherwise agreed by special resolution, if the Company proposes to allot any equity securities, those equity securities shall not be allotted to any person unless the Company has first offered them to all shareholders on the date of the offer on the same terms, and at the same price, as those equity securities are being offered to other persons on a *pari passu* and pro rata basis to the number of shares held by those holders (as nearly as possible without involving fractions) The offer

12 2 1 shall be in writing, shall be open for acceptance for a period of 15 Business Days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities, and

12 2 2 may stipulate that any shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess equity securities (**Excess Securities**) for which he wishes to subscribe

12 3 Any equity securities not accepted by shareholders pursuant to the offer made to them in accordance with Article 12 2 shall be used for satisfying any requests for Excess Securities made pursuant to Article 12 2 If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants pro rata to the number of shares held by the applicants immediately before the offer was made to shareholders in accordance with Article 12 2 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any shareholder beyond that applied for by him) After that allotment, any Excess Securities remaining shall be offered to any other person as

the directors may determine, at the same price and on the same terms as the offer to the shareholders

- 12 4 Subject to Articles 12 2 and 12 3 and to section 551 of the Act, any equity securities shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper

13. Transfer of shares

- 13 1 All transfers of shares shall be effected by instrument in writing in any form for the time being authorised by the Stock Transfer Act 1963 (or any statutory modification or re-enactment thereof for the time being in force) or in any other form which the directors may approve

- 13 2 Subject to Article 13 3, no member shall sell, transfer, assign, pledge, charge or otherwise dispose of any share in the capital of the Company or any interest in any such share except

13 2 1 with the prior written consent of all members for the time being, or

13 2 2 in accordance with Article 14 (permitted transfer), or

13 2 3 in accordance with Article 15 (pre-emption), or

13 2 4 in accordance with Article 16 (compulsory transfer), or

13 2 5 in accordance with Article 18 (tag along), or

13 2 6 in accordance with Article 19 (drag along)

- 13 3 Trustees of the Peter D Fletcher Settlement shall not sell, transfer, assign, pledge charge or otherwise dispose of any share in the capital of the Company or any interest in any such share except

13 3 1 with the prior written consent of all the members for the time being, or

13 3 2 in accordance with article 15 (pre-emption), or

13 3 3 in accordance with article 16 (compulsory transfers), or

13 3 4 in accordance with article 18 (tag along), or

13 3 5 in accordance with article 19 (drag along), or

13 3 6 to the new (or remaining) trustees upon a change of trustees of that family trust, or

13 3 7 to any member of the Company for the time being

- 13 4 Any transfer of a share by way of sale which is required to be made under these Articles will be deemed to include a warranty that the transferor sells with full title guarantee

14. Permitted transfers

- 14 1 Subject to article 13 3, a shareholder (the **Original Shareholder**) may transfer all or any of his or its shares to a Permitted Transferee or with the prior written consent of all members for the time being

- 14 2 Where shares are held by the trustees of a Family Trust, the trustees may transfer shares to

14 2 1 the Original Shareholder,

14 2 2 another Privileged Relation of the Original Shareholder,

14 2 3 another Family Trust of which the Original Shareholder is the Settlor, or

14 2 4 the new (or remaining) trustees upon a change of trustees of a Family Trust

without any price or other restriction

- 14 3 If a Permitted Transfer is made to the spouse or Civil Partner of the Original Shareholder, the Permitted Transferee shall within 10 Business Days of ceasing to be the spouse or Civil Partner of the Original Shareholder (whether by reason of divorce or otherwise) either

14 3 1 execute and deliver to the Company a transfer of the shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them, or

14 3 2 give a Transfer Notice to the Company in accordance with Article 15 3,

failing which a Transfer Notice shall be deemed to have been given in respect of the relevant shares

- 14 4 Where under a deceased shareholder's will (or the laws as to intestacy), the persons legally or beneficially entitled to any shares (whether immediately or contingently) are Privileged Relations of the deceased shareholder, the legal representative of the deceased shareholder may transfer any shares to those Privileged Relations, in each case without restriction as to price or otherwise. Shares previously transferred as permitted by this Article 14 4 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without any price or other restriction

- 14 5 Subject to Article 14 4, on the death or bankruptcy of a Permitted Transferee (other than a joint holder), his personal representatives or trustee in bankruptcy shall execute and deliver to the Company a transfer of the shares held by the Permitted Transferee (without any price or other restriction) within 15 Business Days after the date of the grant of probate or the making of the bankruptcy order. The transfer shall be to the Original Shareholder, if (being an individual) the Original Shareholder is still living, and if the Original Shareholder is not bankrupt, or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within 15 Business Days of that period, or if the Original Shareholder has died or is bankrupt, the personal representative or trustee in bankruptcy shall be deemed to have given a Transfer Notice.
- 14 6 Any Privileged Relation or trustee of a Family Trust holding shares transferred to him pursuant to this Article 14 shall be deemed to have irrevocably appointed the Original Shareholder as his proxy in respect of such shares and no instrument of appointment shall be necessary to be deposited with the Company.
- 15. Transfer of shares subject to pre-emption rights**
- 15 1 In this Article, references to a transfer of a share include the transfer or assignment 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.
- 15 2 Except where the provisions of Article 14, Article 16, Article 18 6 or Article 19 6 apply, any transfer of shares by a shareholder shall be subject to the pre-emption rights in this Article.
- 15 3 A Seller shall, before transferring or agreeing to transfer any shares, give a Transfer Notice to the Company specifying
- 15 3 1 the number of Sale Shares,
 - 15 3 2 if the Seller wishes to sell the Sale Shares to a third party, the name of the proposed transferee,
 - 15 3 3 the price (in cash) per share at which he wishes to transfer the Sale Shares, and
 - 15 3 4 whether the Transfer Notice is conditional on all, or a specific number of, the Sale Shares being sold to shareholders (**Minimum Transfer Condition**).
- 15 4 Save in relation to a Transfer Notice given (or deemed to be given) pursuant to Article 16, a Seller shall be entitled to withdraw a Transfer Notice within 5 Business Days after the determination of the Fair Value but not otherwise.

- 15 5 A Transfer Notice appoints the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price
- 15 6 Unless the Transfer Notice shall have been withdrawn pursuant to Article 15 4, within 10 Business Days of the agreement of the Transfer Price or the determination of the Transfer Price in accordance with Articles 15 6 and 17, the Board shall offer the Sale Shares for sale in the manner set out in Article 15 7 onwards. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered
- 15 7 If the Board so resolves, the Sale Shares shall in the first instance be offered to the Company for purchase pursuant to the provisions of Part 18 of the Act. The Company shall have a period of 28 days (**Company Offer Period**) within which to accept such offer. If by the end of the Company Offer Period, the Company has accepted such offer in respect of all of the Sale Shares, an Allocation Notice will be given to the Seller in accordance with Article 15 10 immediately following such acceptance. If by the end of the Company Offer Period, the Company has accepted such offer in respect of some but not all of the Sale Shares, or has declined the offer, the Board shall, immediately following such decision, allocate to the Company the Sale Shares accepted by it for the purpose of Article 15 10, and deal with the balance in accordance with Article 15 8
- 15 8 The Board shall offer the balance of the Sale Shares not agreed to be purchased by the Company pursuant to Article 15 7 to all shareholders other than the Seller (**Continuing Shareholders**), inviting them to apply in writing within 15 Business Days of the date of the offer (**First Offer Period**) for the maximum number of such Sale Shares they wish to buy

If the Sale Shares are subject to a Minimum Transfer Condition, any allocation made under Article 15 7, this Article 15 8 and Article 15 9 shall be conditional on the fulfilment of the Minimum Transfer Condition

If, at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares offered, the Board shall allocate such Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion which his existing holding of shares bears to the total number of shares held by those Continuing Shareholders who have applied for Sale Shares. Fractional entitlements shall be rounded to the nearest whole number. No allocation shall be made to a Continuing Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy

If only some of the Sale Shares are allocated in accordance with this Article but there are applications for Sale Shares that have not been satisfied, those Sale Shares shall be allocated to the relevant applicant(s) in accordance with the procedure set out in this Article 15 8

If, at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares offered, the Board shall allocate Sale Shares to the Continuing Shareholders in accordance with their applications. The balance (**Initial Surplus Shares**) shall be dealt with in accordance with Article 15.9.

- 15.9 At the end of the First Offer Period, the Board shall offer the Initial Surplus Shares to all the Continuing Shareholders, inviting them to apply in writing within 28 Business Days of the date of the offer (**Second Offer Period**) for the maximum number of Initial Surplus Shares they wish to buy.

If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for exceeds the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to each Continuing Shareholder who has applied for Initial Surplus Shares in the proportion that his existing holding of shares (including any allocated Sale Shares) bears to the total number of shares (including any allocated Sale Shares) held by those Continuing Shareholders who have applied for Initial Surplus Shares during the Second Offer Period. Fractional entitlements shall be rounded to the nearest whole number. No allocation shall be made to a Continuing Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy.

If only some of the Sale Shares are allocated in accordance with this Article but there are applications for Sale Shares that have not been satisfied, those Sale Shares shall be allocated to the relevant applicant(s) in accordance with the procedure set out in this Article 15.9.

If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to the Continuing Shareholders in accordance with their applications. The balance (**Second Surplus Shares**) shall be dealt with in accordance with Article 15.12.

- 15.10 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Sale Shares applied for by the other shareholders and/or proposed to be purchased by the Company pursuant to Article 15.7 is less than the number of Sale Shares specified in the Minimum Transfer Condition, the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under Articles 15.7 to Article 15.9, stating that the Minimum Transfer Condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

If

- 15.10.1 the Transfer Notice includes a Minimum Transfer Condition and such Minimum Transfer Condition has been satisfied, or the Transfer Notice does not include a Minimum Transfer Condition, and

15 10 2 allocations under Articles 15 8 and/or 15 9 have been made in respect of some or all of the Sale Shares, and/or the Company has agreed to purchase some or all of the Sale Shares under Article 15 7,

the Board shall give written notice of allocation (**Allocation Notice**) to the Seller and (if applicable) each Continuing Shareholder to whom Sale Shares have been allocated (**Applicant**) The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and/or to be purchased by the Company, the amount payable by each Applicant and/or the Company for the relevant number of Sale Shares (**Consideration**) and the place and time for completion of the transfer of the Sale Shares (which shall be at least 5 Business Days after the date of the Allocation Notice)

15 11 On the service of an Allocation Notice, the Seller shall, against payment of the Consideration, transfer the Sale Shares allocated in accordance with the requirements specified in the Allocation Notice

If the Seller fails to comply with the requirements of the Allocation Notice

15 11 1 the chairman of the Company (or, failing him, one of the other directors, or some other person nominated by a resolution of the board) may, on behalf of the Seller

15 11 1 1 complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares,

15 11 1 2 receive the Consideration and give a good discharge for it, and

15 11 1 3 (if applicable and subject to the transfers being duly stamped) enter the Applicants in the register of Shareholders as the holders of the shares purchased by them, and

15 11 2 the Company shall pay the Consideration into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate for the relevant shares (or an indemnity, in a form reasonably satisfactory to the board, in respect of any lost certificate, together with such other evidence (if any) as the board may reasonably require to prove good title to those shares) to the Company

15 12 If an Allocation Notice does not relate to all of the Sale Shares then, subject to Article 15 14 and within 4 weeks following service of the Allocation Notice, the Seller may transfer the Second Surplus Shares to any person at a price at least equal to the Transfer Price

- 15 13 Subject to Article 15 14, within 4 weeks following receipt of a notification by the Board pursuant to Article 15 10 that the Minimum Transfer Condition has not been met, the Seller may transfer to any person at a price at least equal to the Transfer Price such number of Sale Shares as is at least equal to the number of Sale Shares specified in the Minimum Transfer Condition
- 15 14 The Seller's right to transfer shares under Article 15 12 and/or Article 15 13 does not apply if the Board reasonably considers that
- 15 14 1 the transferee is a person (or a nominee for a person) who is a competitor with (or an Associate of a competitor with) the business of a Group Company, or
 - 15 14 2 the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee, or
 - 15 14 3 the Seller has failed or refused to provide promptly information available to the Seller and reasonably requested by the board to enable it to form the opinion mentioned above
- 15 15 The restrictions imposed by this Article may be waived in relation to any proposed transfer of Shares with the written consent of shareholders who, but for the waiver, would or might have been entitled to have such shares offered to them in accordance with this Article
- 15 16 For the purposes of this Article the expression "the **Transfer Price**" shall mean the price per share as the Seller and the directors shall agree or failing agreement within 14 days of receipt by the Company of a Transfer Notice, such value as the Auditor shall certify to be the Fair Value of the Sale Shares in accordance with Article 17

16. Compulsory Transfers

- 16 1 In any case where any shares in the capital of the Company are held by a trustee or trustees of a Family Trust following a transfer or transfers made pursuant to Article 14 above and the directors shall reasonably believe that not all the persons beneficially interested under the Family Trust are Privileged Relations of the Settlor the directors shall notify the Settlor and trustees accordingly and a Transfer Notice shall be deemed to have been served in accordance with Article 15 3 comprising all such shares held by such trustee or trustees

- 16 2 Save when Article 14 4 and 14 5 applies, if any member or, in the case of joint holders, if the survivor of such joint holders, shall die a Transfer Notice shall be deemed to have been served in accordance with Article 15 3, upon the date that the Company receives notice of the death of such member provided that this paragraph shall not be effective upon the death of a member who received the shares in accordance with Article 14 and who holds those shares as trustee Subject to the provisions of this Article 16 2, Articles 27-29 of the Model Articles shall apply as regards the transmission of shares on the death of a member
- 16 3 If any member in breach of these Articles should attempt to transfer, charge or otherwise dispose of the legal or beneficial interest in any shares a Transfer Notice shall be deemed to have been served in accordance with Article 15 3 upon the date that the Company receives notice of any attempted transfer, charge or other disposal
- 16 4 To enable the directors to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these Articles, the directors may require any holder, or the legal personal representatives of any deceased holder, or any person named as transferee in any transfer lodged for registration or any other person who the directors may reasonably believe to have information relevant to that purpose, to provide the Company with any information and evidence that the directors request regarding any matter which they deem relevant to that purpose If the information or evidence is not provided to enable the directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence the directors are reasonably satisfied that a breach has occurred, the directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and the following shall occur
- 16 4 1 the relevant shares shall cease to confer on the holder of them (or any proxy) any rights
- 16 4 1 1 to vote, whether on a show of hands or on a poll, and whether exercisable at a general meeting of the Company or at any separate meeting of the class in question, or
- 16 4 1 2 to receive dividends or other distributions otherwise attaching to those shares or to any further shares in the capital of the Company issued in respect of those shares, or in pursuance of an offer made to the relevant holder, and
- 16 4 2 the holder may be required, at any time following receipt of the notice, to transfer some or all of its shares to any person(s) at the price that the directors may require by notice in writing to that holder

The rights referred to in Article 16 4 1 may be reinstated by the Board or, if earlier, shall be reinstated on the completion of any transfer referred to in Article 16 4 2

16 5 Where a Transfer Notice shall be deemed to have been served in accordance with any of the Articles 16 1 to 16 3 then the provisions of Article 15 shall apply to such Transfer Notice, subject to the following variations -

16 5 1 the Board shall, within 14 days of receiving notice of the events giving rise to the deemed issue of such Transfer Notice having occurred, unless the Transfer Price has been agreed by the Board and the Seller, instruct the Auditor to determine the Transfer Price which shall be Fair Value determined in accordance with Article 17,

16 5 2 a Minimum Transfer Condition shall not be deemed to have been specified by the Seller, and

16 5 3 the Transfer Notice shall be deemed to have been given in relation to the entire holding of shares held by the Seller

17. Fair Value

17 1 In these Articles the Fair Value of the Sale Shares shall be the value that the Auditor certifies to be the fair market value in his opinion based on the following assumptions

17 1 1 the value of the shares in question is that proportion of the fair market value of the entire issued share capital of the Company that the Sale Shares bear to the then total issued share capital of the Company provided that where the shares in question represent 25 per cent or less of the Company's entire issued share capital, the value of the shares in question is 60 per cent of that proportion of the fair market value of the entire issued share capital of the Company that the Sale Shares bear to the then total issued share capital of the Company,

17 1 2 the sale is between a willing buyer and a willing seller on the open market,

17 1 3 the sale is taking place on the date that the Transfer Notice is deemed to have been served,

17 1 4 if the Company is then carrying on its business as a going concern, on the assumption that it shall continue to do so,

17 1 5 the shares are sold free of all encumbrances, and

17 1 6 to take account of any other factors that the Auditor reasonably believes should be taken into account

If any problem arises in applying any of the assumptions set out in this Article 17, the Auditor shall resolve the problem in whatever manner he shall, in his absolute discretion, think fit

- 17 2 The Auditor shall be requested to determine the Fair Value within 15 Business Days of his appointment and to notify the members of his determination
- 17 3 Subject to any confidentiality provisions, the Auditor may have access to all accounting records and other relevant documents of the Company
- 17 4 The Auditor's determination shall be final and binding on the members (in the absence of fraud or manifest error)
- 18. Tag along rights on a change of control**
- 18 1 Except in the case of transfers pursuant to Article 17, the provisions of Article 18 2 to Article 18 6 shall apply if, in one or a series of related transactions, one or more Sellers propose to transfer any shares (**Proposed Transfer**) which would, if carried out, result in any person (**Buyer**), and any person Acting in Concert with the Buyer, acquiring a Controlling Interest in the Company
- 18 2 Before making a Proposed Transfer, a Seller shall procure that the Buyer makes an offer (**Offer**) to the other shareholders to purchase all of the shares held by them in the capital of the Company for a consideration in cash per share that is at least equal to the highest price per share offered or paid by the Buyer, or any person Acting in Concert with the Buyer, in the Proposed Transfer or in any related previous transaction in the 3 months preceding the date of the Proposed Transfer (**Specified Price**) In the event of disagreement as to the Specified Price the matter shall be referred to the Auditor for determination The costs of the Auditor shall be borne equally by the parties concerned and his decision shall be final and binding
- 18 3 The Offer shall be given by written notice (**Offer Notice**), at least 20 Business Days (**Offer Period**) before the proposed sale date (**Sale Date**) To the extent not described in any accompanying documents, the Offer Notice shall set out
- 18 3 1 the identity of the Buyer,
- 18 3 2 the purchase price and other terms and conditions of payment,
- 18 3 3 the Sale Date, and
- 18 3 4 the number of shares proposed to be purchased by the Buyer (**Offer Shares**)
- 18 4 If the Buyer fails to make the Offer to all holders of shares in the Company in accordance with Article 18 2 and Article 18 3, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of shares effected in accordance with the Proposed Transfer

18 5 If the Offer is accepted by any shareholder (**Accepting Shareholder**) within the Offer Period, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders

18 6 Provided that the Seller complies with the provisions of Article 18 2, neither the Proposed Transfer nor the purchase of Offer Shares from Accepting Shareholders shall be subject to the pre-emption provisions of Article 15

19. Drag along

19 1 If members together holding more than 50% of the shares in the capital of the Company in issue for the time being (**Selling Shareholders**) wish to transfer all of their interest in the shares (**Sellers' Shares**) to a bona fide arm's length purchaser (**Proposed Buyer**), the Selling Shareholders may, require all other shareholders (**Called Shareholders**) to sell and transfer all their shares to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article (**Drag Along Option**)

19 2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect (**Drag Along Notice**) at any time before the transfer of the Sellers' Shares to the Proposed Buyer The Drag Along Notice shall specify

19 2 1 that the Called Shareholders are required to transfer all their shares (**Called Shares**) pursuant to this Article 19,

19 2 2 the person to whom the Called Shares are to be transferred,

19 2 3 the consideration payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per share offered by the Proposed Buyer for the Sellers' Shares, and

19 2 4 the proposed date of the transfer

19 3 Once issued, a Drag Along Notice shall be irrevocable However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 30 Business Days of serving the Drag Along Notice The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice

19 4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 19

19 5 Completion of the sale of the Called Shares shall take place on the date proposed for completion of the sale of the Sellers' Shares (**Completion Date**) unless

- 19 5 1 all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Selling Shareholders, or
- 19 5 2 that date is less than 20 Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the twentieth Business Day after service of the Drag Along Notice
- 19 6 Provided that a Drag Along Notice is served, neither the proposed transfer of Sellers' Shares nor any transfer of Called Shares shall be subject to the pre-emption provisions of Article 15
- 19 7 Within 10 Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are due for their shares pursuant to Article 19 2 3 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 19 2 3 in trust for the Called Shareholders without any obligation to pay interest
- 19 8 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the consideration due pursuant to Article 19 2 3, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this Article 19 in respect of their shares
- 19 9 If any Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by it, the defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute all necessary transfer(s) on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares, to deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder, 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 19

- 19 10 Following the issue of a Drag Along Notice, on any person becoming a shareholder of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company or on the conversion of any convertible security of the Company (a **New Shareholder**), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all shares acquired by it to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 19 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

Decision making by shareholders

20. Quorum for general meetings

- 20 1 So long as the Company has two members or more, the quorum at any general meeting of the Company, or adjourned general meeting, shall be 2 persons present in person or by proxy, provided that if at an adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum. If the Company has only one member, one member present in person or by proxy shall be a quorum.
- 20 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.

21. Poll votes

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

Administrative arrangements

22. Means of communication to be used

- 22 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient
- 22 1 1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),

- 22 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,
- 22 1 3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and
- 22 1 4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this Article, no account shall be taken of any part of a day that is not a Business Day

- 22 2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act

23. Indemnity

- 23 1 Subject to Article 23 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

- 23 1 1 each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including 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 (or the affairs of any associated company), and

- 23 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 23 1 1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

- 23 2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law

- 23 3 In this Article

- 23 3 1 "associated company" shall have the meaning set out in section 256 of the Act, and

- 23 3 2 a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor)

24. Insurance

- 24 1 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss

24 2 In this Article

- 24 2 1 a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor),
- 24 2 2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company, and
- 24 2 3 "associated company" shall have the meaning set out in section 256 of the Act