

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**of**

**KINGERLEE HOLDINGS LIMITED**

**(Company number: 00984588)**

**(Adopted by Special Resolution**

**passed on 25 August 2022)**

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## **Articles of Association**

**Wright Hassall LLP**

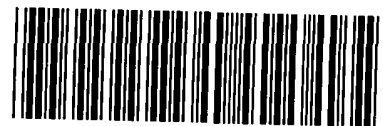
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1. **PRELIMINARY**

- 1.1 In these Articles "**Model Articles**" means the Model Articles in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008 No. 3229) and as otherwise amended prior to the adoption of these Articles. 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.
- 1.2 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles.
- 1.3 Articles 9(1), 11(2), 14(1), (2), (3) and (4), 17(2), 21, 44(2), 52 and 53 of the Model Articles shall not apply to the Company.
- 1.4 Article 7 of the Model Articles shall be amended by:
- 1.4.1 the insertion of the words "for the time being" at the end of Article 7(2)(a); and
  - 1.4.2 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".
- 1.5 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate Directors) and the secretary (if any)" before the words "properly incur".
- 1.6 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".
- 1.7 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to Article 22," after the word "But".
- 1.8 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".
- 1.9 Articles 31(1)(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".

2. **PRIVATE COMPANY**

The Company is a private company within the meaning of section 4(1) of the Act.

3. **INTERPRETATION**

- 3.1 In these Articles unless the context otherwise requires, the following expressions have the following meanings:

**Acquisition Cost:** means the price at which an A Shareholder acquired his A Shares;

**Act:** means the Companies Act 2006, and every statutory modification, re-enactment or replacement of that Act for the time being in force on the date of adoption of these Articles;

**A Shares:** means A Ordinary Shares of £0.50 each in the share capital of the Company from time to time, together with any other Shares deriving from or representing the same;

**A Shareholders:** means the registered holders of A Shares from time to time;

**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);

**Adoption Date:** means the date of the adoption of these Articles;

**Aggregate Percentage:** means (subject to Article 4.8) an amount (expressed as a percentage) calculated as follows:

- (a) where the number of A Shares in issue immediately prior the relevant event referred to in Article 4.2 or Article 4.4 or other triggering event giving rise to a disposal of the relevant A Shares (as the case may be) (such number being "**X**") is equal to or greater than 14,375:

$$\left(\frac{57,500}{OS}\right) \times 20$$

or

- (b) where **X** is less than 14,375 the result of the formula:

$$\left(\frac{X}{14,375}\right) \times \left(\frac{57,500}{OS}\right) \times 20$$

subject in each case to such roundings as the Board may in its discretion and acting reasonably think fit and provided that in each case:

- (a) "**OS**" is the number of Ordinary Shares in issue at the relevant time; and
- (b) if the calculation  $\left(\frac{57,500}{OS}\right)$  produces a number greater than 1 then the product of  $\left(\frac{57,500}{OS}\right)$  shall be deemed to be 1;

**Asset Sale:** means a sale by one or more transactions to a person, or persons Acting in Concert, of all or substantially all of the assets of the Company (which may be by way of sale of assets, business or undertaking, or shares in any Group Company);

**Auditors:** means the auditors from time to the time appointed by the Company or such other professional adviser(s) as the Board may from time to time reasonably select for the relevant purpose required under these Articles;

**Bad Leaver:** means a Leaver who is not a Good Leaver;

**Business Day:** means a day (other than a Saturday or Sunday) when banks in the City of London are open for business;

**Board:** means the board of Directors of the Company from time to time and any duly authorised committee thereof;

**Company:** means Kingerlee Holdings Limited registered in England and Wales with company number 00984588;

**Controlling Interest:** means an interest in Shares conferring in aggregate over 50% of the total voting rights conferred by Shares;

**Director:** means a director for the time being of the Company;

**Employee:** means an executive director or employee of any Group Company;

**Employee Member:** means an Employee who is an A Shareholder;

**Exit:** means a Share Sale or a Listing;

**Exit Distribution:** means any distribution of capital following either:

- (a) the passing of a resolution for the winding up of the Company; or
- (b) an Asset Sale;

**Exit Proceeds:** means:

- (a) in the case of a Listing, the valuation placed on all of the then issued Shares (or such shares which are subject to the Listing) on the Listing Date and at the listing value, as shown in the prospectus or listing particulars published in connection with the Listing, excluding the gross amount of any new money raised by the Company in connection with the Listing from a subscription for new shares; or
- (b) in the case of a Share Sale, the aggregate price or value of the consideration for all of the Shares subject to the Share Sale,

in either case after payment of all costs and expenses incurred in connection with the Exit by the Shareholders to the extent that such deductions have not already been taken into account in determining the value of the Shares and:

- (i) where the relevant consideration or exit proceeds is or are payable on differing or varied dates, the allocation of Exit Proceeds shall be in such manner as shall be determined by the Board (acting reasonably) having regard to the principles in and provisions of these Articles; and
- (ii) any question or dispute as to the amount of the Exit Proceeds for the purposes of these Articles will be determined in accordance with Article 4.7;

**Fair Value:** means the fair value of an A Share as determined in accordance with Article 15;

**Good Leaver:** means an Employee Member who becomes a Leaver by reason of:

- (a) death;
- (b) injury, ill-health or disability (evidenced to the reasonable satisfaction of the Board) and which, in the reasonable opinion of the Board, is sufficiently serious to prevent the Employee Member from fulfilling his normal employment duties with the Group; or

- (c) dismissal by the Group Company of which the Employee Member is an Employee where such Group Company is in breach of contract by virtue of that dismissal;
- (d) sale of part of the Group's business and/or a Group Company of which the Employee Member is an Employee; and
- (e) any other reason where the Board (with Ordinary Shareholder Consent) determines that the Employee Member should be within the scope of this definition;

**Group:** means the Company and the Company's Subsidiaries (if any) from time to time and any holding company of the Company and any Subsidiaries of such holding company and "**Group Company**" shall be construed accordingly;

**Highcroft Investment:** any investment held by the Company or any Group Company in Highcroft Investments PLC (a company registered in England and Wales with company number 00224271) ("**Highcroft**"), together with:

- (a) any cash which is an asset of the Company or any Group Company and which arises as a result of the disposal of all or any part of the Company's or any Group Company's investment in Highcroft; and
- (b) any other investment asset of the Company or any Group Company (being an asset which is held otherwise than for the purposes of the Company/Group's trading activities) where such asset is acquired pursuant to the reinvestment of any cash of the kind referred to in limb (a) of this definition;

**Hurdle:** means £4,525,000 (four million five hundred and twenty five thousand pounds sterling) (subject to Article 4.8);

**Individual Percentage:** means an amount (expressed as a percentage) produced by the formula  $(\frac{x}{y}) \times z$  where:

- (a) "x" is the number of A Shares held by the relevant A Shareholder;
- (b) "y" is the number of A Shares in issue before the relevant event referred to in Article 4.2 or Article 4.4 or other event triggering the disposal of the relevant A Shares (as the case may be); and
- (c) "z" is the Aggregate Percentage (expressed as a number rather than a percentage)

and subject to such roundings as the Board in its discretion and acting reasonably thinks fit;

**Internal Market Window:** means the period or periods referred to in Article 9;

**ITEPA:** means the Income Tax (Earnings and Pensions) Act 2003;

**Leaver:** means an Employee Member (and any personal representatives of any Employee Member who holds A Shares as a result of the death of that Employee Member) where the Employee Member:

(a) ceases to be an Employee for any reason whatsoever such that he will no longer be an Employee and provided that there are no arrangements in place for that Employee Member to recommence any employment or executive directorship with any Group Company; and/or

(b) is subject to an Obligatory Transfer Event as referred to in Article 14

and for the avoidance of doubt, such Employee Member shall become a Leaver (and each such personal representative will also be deemed to be a Leaver) on the date of the Employee Member actually ceasing to be an Employee or the date of such Obligatory Transfer Event (as the case may be);

**Leaving Date:** means the earlier of:

(a) the date (if any) on which notice of termination of ceasing to be an Employee is given by, or to, an Employee Member; and

(b) the date on which the relevant Employee Member actually ceases to be an Employee;

**Listing:** means the successful application and admission of all or any of the Shares or securities representing such Shares (including American depositary receipts, American depositary shares and/or other instruments) to the Official List of the UK Listing Authority or on the AIM market operated by the London Stock Exchange plc, or the Nasdaq National Stock Market of the Nasdaq Stock Market Inc. or to any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000 (as amended));

**Listing Date:** means the date on which a Listing first becomes effective;

**NIC:** means National Insurance contributions;

**Obligatory Transfer Event:** means any event specified in Article 14;

**Ordinary Shares:** means the Ordinary Shares of £0.50 each in the share capital of the Company from time to time, together with any other Shares deriving from or representing the same;

**Ordinary Shareholders:** means the registered holders of Ordinary Shares from time to time;

**Ordinary Shareholder Consent:** means the consent in writing of the holders of at least 51% of the Ordinary Shares in issue at the relevant time;

**Paid up:** means, in relation to a share, paid up or credited as paid up;

**Plan:** means the Kingerlee Holdings Limited Employee Share Plan adopted on or before the Adoption Date (as amended from time to time);

**Share:** means a share in the capital of the Company of whatever class and "Shares" shall be construed accordingly;

**Share Sale:** means the sale of Shares or series of such sales to any person (other than any Group Company or any connected person with any Group Company within the meaning of section 1122 of the Corporation Tax Act 2010) resulting in that person

together with any person Acting in Concert with such person holding a Controlling Interest;

**Shareholder:** means a holder of any Shares;

**Subsidiary:** has the meaning given in section 1159 of the Act; and

**Valuation Date:** means the date by reference to which Fair Value is to be determined, being (as applicable):

- (a) in the case of a Leaver where the Board has given a notice in writing pursuant to Article 13.2, the relevant Leaver's Leaving Date; and
- (b) where a Notice is given under Article 9.3, the date referred to in Article 9.3.3.

3.2 In these Articles, words or expressions, the definitions of which are contained or referred to in the Act, shall be construed as having the meaning thereby attributed to them but excluding any statutory modification thereof not in force on the date of adoption of these Articles.

3.3 In these Articles, words importing the singular include (where appropriate) the plural, words importing any gender include (where appropriate) every gender, and words importing persons include (where appropriate) bodies corporate and unincorporate; and (in each case) vice versa.

3.4 In these Articles, in relation to any member, references to any English legal term for any action, remedy, method of judicial proceeding, insolvency proceeding, event of incapacity, legal status, court, governmental or administrative authority or agency, official or any legal concept, practice or principle or thing shall in respect of any jurisdiction other than England where that member is domiciled, resident, incorporated or carries on business be deemed to include what most approximates in that jurisdiction to the English legal term concerned.

3.5 In the event of any question, dispute or ambiguity relating to these Articles the decision of the Board shall be binding on all concerned save where these Articles provide otherwise.

#### 4. **SHARE CAPITAL**

The rights attaching to the respective classes of Shares shall be as follows:

4.1 As regards dividends:

The Company may by ordinary resolution declare dividends and the Board may decide to pay interim dividends. The rights to dividends of the respective classes of Shares are as follows:

- 4.1.1 the profits of the Company being so distributed shall be applied in paying to the Ordinary Shareholders a dividend of such part of the distributable profits of the Company as the Ordinary Shareholders or the Board (as the case may be) shall so resolve;



- 4.1.2 every dividend paid on the Ordinary Shares shall be distributed to the Ordinary Shareholders pro rata to the number of Ordinary Shares held by the relevant holder out of the aggregate number of Ordinary Shares that are then in issue; and
  - 4.1.3 the A Shares shall attract no right to receive dividends in any circumstances.
- 4.2 As regards voting:
  - 4.2.1 every Ordinary Shareholder shall be entitled to receive notice of and to attend and vote at any general meeting;
  - 4.2.2 on a show of hands every Ordinary Shareholder who (being an individual) is present in person or (being a corporation) is present by a representative or present by proxy (not being himself a Shareholder) shall (except as hereinafter provided) have one vote;
  - 4.2.3 on a poll every Ordinary Shareholder who is present in person or by proxy or (being a corporation) is present by a representative shall have one vote for every Ordinary Share; and
  - 4.2.4 subject to Article 6 below, the A Shares shall not confer any right to receive notice of, attend or speak at a general meeting or any entitlement to vote in any circumstances.
- 4.3 As regards capital:
  - 4.3.1 On a return of capital on a liquidation or capital reduction or any other Exit Distribution, the surplus assets of the Company remaining after the payment of its liabilities ("**Surplus Assets**") shall be applied to the relevant Shareholders (in their capacity as holders of and pursuant to the inherent rights attached to the relevant classes of Shares) in accordance with the remainder of this Article 4.3.
  - 4.3.2 Firstly, any Surplus Assets which in the reasonable opinion of the Board derive from or are attributable to the Highcroft Investment ("**Highcroft Surplus Assets**") shall be distributed between the Ordinary Shareholders in the proportion in which each such Ordinary Shareholder's holding of Ordinary Shares bears to the aggregate number of Ordinary Shares then in issue.
  - 4.3.3 Secondly, any Surplus Assets which are not Highcroft Surplus Assets ("**Non-Highcroft Surplus Assets**") shall be distributed as follows:
    - (a) any Non-Highcroft Surplus Assets up to the value of the Hurdle shall be distributed between the Ordinary Shareholders in the proportion in which each such Ordinary Shareholder's holding of Ordinary Shares bears to the aggregate number of Ordinary Shares then in issue; and

- (b) any Non-Highcroft Surplus Assets in excess of the value of the Hurdle ("**Excess Assets**") shall be distributed between the Shareholders in the following proportions:
  - (i) the A Shareholders shall between them receive the Aggregate Percentage of such Excess Assets and each A Shareholder shall receive his Individual Percentage multiplied by the Excess Assets; and
  - (ii) the Ordinary Shareholders shall receive the balance of the Excess Assets in the proportion in which each such Ordinary Shareholder's holding of Ordinary Shares bears to the aggregate number of Ordinary Shares then in issue.

4.3.4 For the avoidance of doubt, the A Shares shall carry no right to:

- (a) Highcroft Surplus Assets in any circumstances; or
- (b) Non-Highcroft Surplus Assets unless and until the Non-Highcroft Surplus Assets exceed the Hurdle.

#### 4.4 On an Exit:

- 4.4.1 The Exit Proceeds shall be allocated as set out in the remainder of this Article 4.4 between the relevant Shareholders (in their capacity as holders of and pursuant to the inherent rights attached to the relevant classes of Shares).
- 4.4.2 Firstly, any Exit Proceeds which in the reasonable opinion of the Board derive from or are attributable to the Highcroft Investment ("**Highcroft Exit Proceeds**") shall be allocated between the Ordinary Shareholders in the proportion in which each such Ordinary Shareholder's holding of Ordinary Shares bears to the aggregate number of Ordinary Shares then in issue.
- 4.4.3 Secondly, any Exit Proceeds which are not Highcroft Exit Proceeds ("**Non-Highcroft Exit Proceeds**") shall be allocated as follows:
  - (a) any Non-Highcroft Exit Proceeds up to the value of the Hurdle shall be allocated between the Ordinary Shareholders in the proportion in which each such Ordinary Shareholder's holding of Ordinary Shares bears to the aggregate number of Ordinary Shares then in issue; and
  - (b) any Non-Highcroft Exit Proceeds in excess of the value of the Hurdle ("**Excess Proceeds**") shall be allocated between the Shareholders in the following proportions:
    - (i) the A Shareholders shall between them receive the Aggregate Percentage of such Excess Proceeds and each A Shareholder

shall receive his Individual Percentage multiplied by the Excess Proceeds; and

- (ii) the Ordinary Shareholders shall receive the balance of the Excess Proceeds in the proportion in which each such Ordinary Shareholder's holding of Ordinary Shares bears to the aggregate number of Ordinary Shares then in issue.

4.4.4 For the avoidance of doubt, the A Shares shall carry no right to:

- (a) Highcroft Exit Proceeds in any circumstances; or
- (b) Non-Highcroft Exit Proceeds unless and until the Non-Highcroft Exit Proceeds exceed the Hurdle.

4.5 The provisions of Article 4.4 shall also apply to any Share Sale resulting in the application of Article 11 (Tag Along Rights) and/or Article 12 (Drag Along Rights).

4.6 If the Exit is a Listing, the Shareholders shall enter into such reorganisation of the share capital of the Company as they may agree in writing or, in default of such agreement, as the Auditors confirm in their opinion is fair and reasonable in the circumstances to ensure that the Exit Proceeds on the Listing will immediately following such reorganisation be allocated between the relevant Shareholders in the same proportions as such Shareholders would have received the Exit Proceeds had the Exit been a Share Sale and as determined in accordance with Article 4.4.

4.7 Unless it is specifically stated otherwise, any dispute as to value, or as to calculations or adjustments to be made, or as to amount, to or in respect of the Surplus Assets and/or Exit Proceeds (including any Highcroft Surplus Assets, Non-Highcroft Surplus Assets, Excess Assets, Highcroft Exit Proceeds, Non-Highcroft Exit Proceeds or Excess Proceeds) and Fair Value and the impact of the Hurdle pursuant to these Articles shall be determined by the Board (acting reasonably) and may be referred by the Board to the Auditors for final determination. Where the Board makes a determination in accordance with this Article 4.7, such determination will only be binding once the Board has obtained a certificate or other form of written confirmation from the Auditors that in their opinion the determination of the Board is just and reasonable. If the Auditors decline to act in respect of any such referral or a request for certification/confirmation, the matter will be determined by an independent firm of chartered accountants agreed for the purpose by the parties concerned or, in default of agreement within five Business Days after the Auditors have declined to act, appointed by the incumbent president of the Institute of Chartered Accountants in England and Wales. The Auditors or independent accountants (as the case may be) will act as expert and not as arbiter and their costs will be borne as directed by the Auditors/independent accountants or if they fail to direct by the Company. The written certificate or confirmation of the Auditors/independent accountants (as appropriate) will be conclusive and binding on the Company and the Shareholders (except in the case of fraud or manifest error).

- 4.8 The Board may, in its discretion, decide to rebase or adjust the Hurdle, the Aggregate Percentage and/or the definition of Fair Value to take account of any acquisition or disposal by or out of the Group of any company or business or assets or new financing or refinancing arrangements or reorganisation of share capital or special or extraordinary dividend affecting any member of the Group and/or any Listing and/or other objective change in circumstances provided that:
- 4.8.1 the adjustment is made on a just and reasonable basis and with a view to ensuring that the A Shares are not disadvantaged or benefited by the change;
  - 4.8.2 the Auditors (or where they decline to act such independent firm of chartered accountants as may be selected in accordance with the procedure referred to in Article 4.7) have confirmed in writing and in advance of the rebasing or adjustment taking effect that in their opinion such rebasing or adjustment is just and reasonable; and
  - 4.8.3 where such rebasing or relevant adjustment is made, the Board shall give written notice to the holders of the A Shares as soon as reasonably practicable thereafter.

## **5. ISSUE OF NEW SHARES**

- 5.1 Save to the extent authorised by these Articles, or authorised from time to time by an ordinary resolution of the Ordinary Shareholders, the Board shall not exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares in the Company.
- 5.2 Subject to this Article 5, the Board is conditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to:
- 5.2.1 offer or allot;
  - 5.2.2 grant rights to subscribe for or to convert any security into;
  - 5.2.3 otherwise deal in, or dispose of,
- any Shares in the Company in accordance with Articles 5.5 to 5.6.
- 5.3 The authority referred to in Article 5.2:
- 5.3.1 shall be limited to a maximum nominal amount of £35,937.50, divided into:
    - (a) 57,500 Ordinary Shares; and
    - (b) 14,375 A Shares;
  - 5.3.2 shall only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution; and

- 5.3.3 may only be exercised for a period of five years from the date of adoption of these Articles, save that the Board may make an offer or agreement which would, or might, require Shares to be allotted after the expiry of such authority (and the Board may allot shares in pursuance of an offer or agreement as if such authority had not expired).
- 5.4 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.
- 5.5 Unless otherwise agreed by special resolution of the Ordinary Shareholders or any allotment pursuant to the Plan, 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 Ordinary 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 Ordinary Shares held by those holders (as nearly as possible without involving fractions). The offer:
- 5.5.1 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
- 5.5.2 may stipulate that any Ordinary 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 such Ordinary Shareholder wishes to subscribe.
- 5.6 Any equity securities not accepted by relevant Ordinary Shareholders pursuant to the offer made to them in accordance with Article 5.5 shall be used for satisfying any requests for Excess Securities made pursuant to Article 5.5. 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 Ordinary Shares held by the applicants immediately before the offer was made to Ordinary Shareholders in accordance with Article 5.5 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Ordinary 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 Ordinary Shareholders.
- 5.7 Subject to the Act, the Company may issue Shares for less than the aggregate of their nominal value.

## 6. **ALTERATION OF SHARE CAPITAL**

Whenever the capital of the Company is divided into different classes of Shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or in contemplation of a winding up only with the consent of the holders of 75% or more of the issued Shares of that class.

## 7. TRANSFERS OF SHARES (GENERAL)

7.1 Notwithstanding anything else contained in these Articles, no Share shall be transferred:

7.1.1 to any infant, bankrupt or person of unsound mind; or

7.1.2 if any such Share is partly paid; or

7.1.3 to any competitor (as determined by the Board in its discretion with Ordinary Shareholder Consent); or

7.1.4 if it is an A Share held by an Employee Member, other than pursuant to the provisions of any of Articles 7.2, 9, 11, 12, 13 or 14.

7.2 Any A Share may be transferred if the Board (with Ordinary Shareholder Consent) consents in writing in advance of the transfer and where such consent is given such transfer shall be on such terms as the relevant A Shareholder and the Board with Ordinary Shareholder Consent may agree in advance in writing.

7.3 Subject to the Act and any other provision of these Articles, but without prejudice to the Company's other rights in law to purchase its own Shares, the Company shall be authorised to purchase its own Shares with cash up to an amount in any financial year not exceeding the lower of:

7.3.1 £15,000; and

7.3.2 the nominal value of 5% of the Company's fully paid share capital at the beginning of the relevant financial year.

## 8. TRANSFER OF ORDINARY SHARES

8.1 An Ordinary Share may at any time be transferred to any Ordinary Shareholder but, save as provided in Article 8.6, no Ordinary Share shall be transferred to any person who is not an Ordinary Shareholder so long as any Ordinary Shareholder (or any person selected by the Board as one whom it is desirable in the interests of the Company to become an Ordinary Shareholder) is willing to purchase the same at the market value.

8.2 In order to ascertain whether any Ordinary Shareholder is willing to purchase an Ordinary Share to which the restriction contained in Article 8.1 applies, the Ordinary Shareholder proposing to transfer any Ordinary Share (the "**Proposing Transferor**") shall give notice in writing to the Company that he desires to transfer the same. Such notice shall specify the sum he fixes as the market value, and shall constitute the Company his agent for the sale of the Ordinary Share to any Ordinary Shareholder (or person selected as aforesaid) at the price so fixed, or at the option of the purchaser, at the value determined by the Auditors as the market value of the Ordinary Share. The transfer notice may include several Ordinary Shares, and in such case shall operate as

if it were a separate notice in respect of each. The transfer notice shall not be revocable except with the sanction of the Board.

- 8.3 If the Company shall within the space of two months after being served with such notice find an Ordinary Shareholder (or person selected as aforesaid) willing to purchase the Ordinary Share (hereinafter called the "**Purchaser**") and shall give notice thereof to the Proposing Transferor, he shall be bound upon payment of the market value to transfer the Ordinary Share to the Purchaser.
- 8.4 If in any case the Proposing Transferor after having become bound as aforesaid makes default in transferring the Ordinary Share the Company may receive the purchase money on his behalf, and may authorise some person to execute a transfer of the share in favour of the Purchaser, who shall thereupon be registered as the holder of the Ordinary Share. The receipt of the Company for the purchase money shall be a good discharge to the Purchaser, and after his name has been entered in the register in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person.
- 8.5 If the Company shall not within the space of two months after being served with the transfer notice find an Ordinary Shareholder (or person selected as aforesaid) willing to purchase the Ordinary Shares and give notice in the manner aforesaid, the Proposing Transferor shall, at any time within three months afterwards, be at liberty, subject to Articles 7.1 and 8.7, to sell and transfer the Ordinary Shares, or those not placed, to any person and at any price.
- 8.6 Any Ordinary Share may be transferred by an Ordinary Shareholder to any wife, husband, civil partner, child or other issue, father, mother, brother or sister of such Ordinary Shareholder, and any Ordinary Share of a deceased Ordinary Shareholder may be transferred by his executors or administrators to any widow, widower, surviving civil partner, child or other issue, father, mother, brother, or sister of such deceased Ordinary Shareholder to whom such deceased Ordinary Shareholder may have specifically bequeathed the same, and Ordinary Shares standing in the name of the trustees of the Will of any deceased Ordinary Shareholder may be transferred upon any change of trustees to the trustees for the time being of such Will; and the restrictions in Article 8.1 shall not apply to any transfer authorised by this Article 8.6.
- 8.7 The Directors may decline (without being bound to assign any reason) to register a transfer of Ordinary Shares to a transferee of whom they do not approve.
- 8.8 All Ordinary Shares comprised in a transfer notice shall, unless the Board thinks fit to offer them to any person selected as aforesaid, be offered by the Company to the Ordinary Shareholders other than the Proposing Transferor and in each case the person to whom the offer is made shall, subject to the provisions of Article 8.10, have the option of buying at the price fixed by the Proposing Transferor (or where the purchaser so requires under Article 8.2, the Auditors as aforesaid), such option to be declared by accepting the offer.

8.9 If the number of Ordinary Shares in respect of which options are exercised pursuant to the provisions of Article 8.8 exceeds the number of Ordinary Shares offered for sale to Ordinary Shareholders pursuant to the provisions thereof the Ordinary Shares offered for sale shall be divided among the proposing Purchasers in the proportions as nearly as possible in which they already hold Ordinary Shares PROVIDED THAT no Purchaser shall be liable to take more Ordinary Shares than those in respect of which he has exercised his option and any Ordinary Shares which cannot be divided as aforesaid shall be apportioned by lot among the proposing Purchasers.

8.10 No Ordinary Share shall be issued or transferred to any infant, bankrupt or person of unsound mind.

## 9. **INTERNAL MARKET**

9.1 The Company shall establish an Internal Market Window which shall (subject to Article 9.2) operate from 1<sup>st</sup> June 2028 to 31<sup>st</sup> August 2028 (inclusive) (the "**Default Period**") and which will, irrespective of when the Internal Market Window arises and subject as mentioned below, apply to all A Shareholders (irrespective of their identity) and shall constitute an inherent right attaching to A Shares.

9.2 The Board may (with Ordinary Shareholder Consent) and with the consent of the A Shareholders specify at any time before the commencement of the Default Period (or any relevant alternative period specified under this Article 9.2) that a different period of time should instead constitute an Internal Market Window. Where such an alternative period is so specified, the provisions of this Article 9 shall apply to such period in the way in which they would otherwise have done to the Default Period had no such alternative period been specified by the Board.

9.3 No later than 10 Business Days before the opening of the Internal Market Window, the Board shall give a written notice (the "**IM Notice**") to all A Shareholders ("**Notified Shareholders**") which shall include details of the:

9.3.1 opening and closing dates of the Internal Market Window;

9.3.2 number of A Shares held by the relevant Notified Shareholder on the date on which the IM Notice is given ("**Saleable Shares**");

9.3.3 Fair Value of each Saleable Share (as determined in accordance with Article 15) held by the relevant Notified Shareholder on the date on which the IM Notice is given;

9.3.4 period during which each Notified Shareholder may offer his Saleable Shares for sale in accordance with this Article 9 (which shall be the duration of the Internal Market Window); and

9.3.5 price at which Saleable Shares may be offered for sale by the relevant Notified Shareholder in accordance with the provisions of this Article 9 which shall be their Fair Value as referred to in Article 9.3.3 above (the "**IM Sale Price**").



- 9.4 Following receipt of an IM Notice under Article 9.3, each Notified Shareholder shall be entitled to serve a notice in writing ("**Acceptance Notice**") upon the Company (acting through the Board) of his election to sell all (but not only some) of his Saleable Shares on the terms set out in this Article 9 PROVIDED THAT:
- 9.4.1 the Acceptance Notice is received by the Company on or before the closing date of the Internal Market Window as notified to the Notified Seller under Article 9.3.1 (the "**IM Closing Date**"); and
  - 9.4.2 on the date of receipt of the Acceptance Notice by the Company the Notified Shareholder is not a Leaver.
- 9.5 An Acceptance Notice served by a Notified Shareholder under Article 9.4 shall:
- 9.5.1 be in a form prescribed by the Board from time to time;
  - 9.5.2 specify that such Notified Shareholder (the "**IM Seller**") wishes to sell all (and not only some) of his Saleable Shares (the "**IM Sale Shares**") at the IM Sale Price; and
  - 9.5.3 contain a signature on behalf of the IM Seller.
- 9.6 The service of an Acceptance Notice (and the deemed exercise of the IM Seller Put Option as referred to in Article 9.7 below) shall only be effective if validly received by the Company within the Internal Market Window. Once given, an Acceptance Notice may not be revoked.
- 9.7 Where the IM Seller gives an Acceptance Notice pursuant to Article 9.4, the IM Seller shall also then be deemed to have exercised an option (the "**IM Seller Put Option**") to require both:
- 9.7.1 the Company to purchase (subject to Article 9.9 and Article 9.10) the IM Sale Shares at the IM Sale Price (and for the avoidance of doubt, the service of an Acceptance Notice shall bind the Company to make such purchase subject to Article 9.9 and Article 9.10); and
  - 9.7.2 the Board to consider whether (in advance of the Company purchasing the IM Sale Shares) to offer (with Ordinary Shareholder Consent) such other persons who are referred to in Article 9.11 the opportunity to purchase such number of the IM Sale Shares as the Board may determine at the IM Sale Price.
- 9.8 Once an Acceptance Notice has been validly received by the Board, the Company (acting by the Board) shall firstly determine whether the Company alone shall purchase the IM Sale Shares and/or whether an offer to purchase all or any of the IM Sale Shares should be made to one or more of the persons referred to in Article 9.11. An offer may only be made to such persons under Article 9.11 with Ordinary Shareholder Consent.

9.9 Subject to Article 9.10, the obligation upon the Company to purchase IM Sale Shares pursuant to the receipt of an Acceptance Notice and the exercise of the IM Seller Put Option shall be subject always to the extent to which:

9.9.1 the Company has, in the reasonable opinion of the Board, sufficient distributable reserves to give effect to such purchase and to such purchase otherwise being capable of being legally completed and (subject to Article 9.10) the Company shall be obliged to purchase only such number of IM Sale Shares as it is so capable of doing and the Board may (acting reasonably) determine the extent of the relevant purchases by the Company from those IM Sellers who have given Acceptance Notices in order to ensure a reasonable apportionment across all IM Sellers;

9.9.2 such persons as are referred to in Article 9.11 confirm that they wish to purchase IM Sale Shares with the effect that the obligation upon the Company to purchase the IM Sale Shares shall be reduced by the number of IM Sale Shares which such persons have stated a willingness to buy; and

9.9.3 the Company shall be permitted to structure the timing of Completion of the sale of IM Sale Shares (including the payment of the Consideration) on such terms as the Board (acting reasonably) sees fit, subject to Article 9.18.

9.10 If the Company is initially unable to purchase all of the IM Sale Shares that it is obliged to purchase pursuant to the receipt of an Acceptance Notice and the exercise of the IM Seller Put Option (as reduced by the number of IM Sale Shares which the persons referred to in Article 9.11 have confirmed that they wish to purchase) due to:

9.10.1 the Company (in the reasonable opinion of the Board) having insufficient distributable reserves to give effect to such purchase at that time; and/or

9.10.2 such purchase otherwise being incapable of being legally completed at that time

then the Company shall purchase any remaining IM Sale Shares that it is obliged to purchase as soon as reasonably practicable after such purchase is no longer impeded by the factors set out above.

9.11 In the absence of a determination to the contrary by the Board, where the Board considers pursuant to Article 9.8 that an offer to purchase IM Sale Shares should be made to other persons (in addition to the Company being required to purchase IM Sale Shares), it shall firstly request Ordinary Shareholder Consent to such an offer being made and where Ordinary Shareholder Consent is so provided the Board shall make such an offer in writing as soon as is reasonably practicable following the receipt of an Acceptance Notice and Ordinary Shareholder Consent being provided and specify the number of IM Sale Shares on offer to each such person selected by the Board, the IM Sale Price and the date by which such person must (if they wish to buy any IM Sale Shares) confirm their agreement to buy the IM Sale Shares (and such agreement will for the avoidance of doubt, be irrevocable). The following persons may be offered such

IM Sale Shares and, unless the Board (with Ordinary Shareholder Consent) decides otherwise, such offer shall be made in the following order:

9.11.1 firstly, to the Ordinary Shareholders; and

9.11.2 next to such other persons (if any) selected by the Board (which may for the avoidance of doubt include any employee benefit or any employee share trust established by the Company or any Group Company)

PROVIDED THAT and for the avoidance of doubt, no such persons shall be bound to buy any IM Sale Shares unless they state a willingness to buy IM Sale Shares.

9.12 If, following the making of any offers to persons referred to in Article 9.11, the number of IM Sale Shares applied for (including such IM Sale Shares as the Company is willing to buy) exceeds the number of IM Sale Shares referred to in the Acceptance Notice, the Board shall allocate the IM Sale Shares which (if any) the Company does not wish to buy to such persons who have applied for IM Sale Shares in the proportion which their existing holding of Ordinary Shares bears to the total number of Ordinary Shares held by Ordinary Shareholders who have applied for IM Sale Shares or in such other proportions as the Board (acting reasonably) deems appropriate. Fractional entitlements shall be rounded to the nearest whole number. No allocation shall be made to a person for more than the maximum number of IM Sale Shares which he has stated he is willing to buy.

9.13 No later than 20 Business Days after the IM Closing Date and following the Board's determination and, if necessary, having consulted with such persons as are referred to in Article 9.11, the Board shall give written notice of allocation ("**Allocation Notice**") firstly to the IM Seller and also to the Company and/or such other persons as are referred to in Article 9.11 who have stated a willingness to buy IM Sale Shares (each an "**Applicant**"). The Allocation Notice shall specify the number of IM Sale Shares allocated to each Applicant, the amount payable by each Applicant for the number of IM Sale Shares allocated to him ("**Consideration**") and the place and time for completion of the transfer of the IM Sale Shares.

9.14 Completion of the transfer of the IM Sale Shares ("**Completion**") shall take place on such date as the Board shall determine and in any event no later than 20 Business Days after the date of the Allocation Notice, subject to Article 9.18.

9.15 At Completion, each Applicant shall pay or procure the payment of the Consideration to the IM Seller in such proportions as are equal to the relevant IM Sale Shares which the Applicant is so acquiring (such payment to be made by electronic transfer or such other method as the parties may agree, subject to Article 9.18).

9.16 At Completion, the IM Seller shall deliver to each Applicant:

9.16.1 stock transfer forms for the relevant IM Sale Shares, duly completed in favour of each Applicant (where relevant); and

- 9.16.2 share certificate(s) in respect of the relevant IM Sale Shares or an indemnity for lost share certificate(s).
- 9.17 Following Completion, each of the relevant parties shall use their reasonable endeavours to ensure the registration of each Applicant as holder of the relevant IM Sale Shares, where applicable.
- 9.18 Where the Applicant is the Company, Completion and the payment of the Consideration for the transfer of the IM Sale Shares may be deferred and/or paid in instalments in such form as the Board deems appropriate and is lawful (including without limitation in accordance with section 691 of the Act) so as to take account of, without limitation, the cash availability and/or distributable reserves of the Company. Such deferral or payment in instalments may include:
- 9.18.1 subject to Article 9.10, partial purchases of IM Sale Shares and separate Completions which may be deferred for up to 18 months from the giving of an Allocation Notice; and/or
- 9.18.2 the payment of the Consideration on deferred terms, or in instalments and/or the issue of a loan note by the Company in favour of the IM Seller PROVIDED THAT in each case such deferral may not involve any payment beyond 18 months of Completion.
- 9.19 If the IM Seller fails to comply with the requirements of an Allocation Notice:
- 9.19.1 he shall be deemed to have irrevocably appointed the Chairman of the Board (or, failing him, one of the other directors, or some other person nominated by a resolution of the Board) to be his agent and/or attorney (as determined by the Board) to, on behalf of the IM Seller:
- (a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant IM Sale Shares to the Applicants;
- (b) receive the Consideration and give a good discharge for it; and
- (c) (subject to the transfers being duly stamped) and where relevant enter the Applicants in the register of members of the Company as the holders of the IM Sale Shares purchased by them; and
- 9.19.2 the Company shall pay the Consideration into a separate bank account in the Company's name on trust (but without interest) for the IM Seller until he has delivered his certificate for the relevant IM Sale 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 IM Sale Shares) to the Company.

- 9.20 Notices given under this clause shall constitute the Company (by the Board) the agent of the IM Seller for the sale of the IM Sale Shares comprised in the Allocation Notice at the IM Sale Price. An Acceptance Notice and any acceptance by any such persons under Article 9.11 shall be irrevocable except with the sanction of the Board.

10. **CALL OPTION**

- 10.1 At any time following the IM Closing Date the Company shall be entitled to serve notice in writing (the **"Call Notice"**) on any A Shareholder who:

10.1.1 after having been given an IM Notice by the Company pursuant to Article 9.3 has failed to serve an Acceptance Notice upon the Company before the IM Closing Date in accordance with Article 9.4.1; or

10.1.2 is then a Leaver

of its election to exercise its right to by all (and not only some) of the A Shares held by such A Shareholder (the **"Called A Shareholder"**) on the terms set out in this Article 10.

- 10.2 A Call Notice served by the Company pursuant to Article 10.1 shall be in a form prescribed by the Board from time to time and shall specify the:

10.2.1 number of A Shares which the Company wishes to purchase from the Called A Shareholder (the **"Called A Shares"**); and

10.2.2 aggregate purchase price payable for such Called A Shares which shall be the aggregate nominal value of such Called A Shares (the **"Call Price"**).

- 10.3 The completion of the relevant sale of Called A Shares pursuant to the service of a Call Notice (**"Call Completion"**) shall take place at the Company's registered office on such date as the Board may determine and in any event no later than 20 Business Days after the service of the relevant Call Notice.

- 10.4 The Call Price shall be paid in cash by electronic transfer of funds following Call Completion and receipt by the Company of a duly executed instrument of transfer together with the relevant share certificate or indemnities where such certificates have been lost or destroyed, together with such other necessary or appropriate transfer documentation as the Company may require (in a form prescribed by the Company).

- 10.5 The Company or its authorised representatives shall be entitled to make, or otherwise procure, all necessary and appropriate notations in the statutory registers of the Company to reflect the sale of such Called A Shares pursuant to this Article 10.

- 10.6 A Call Notice may be revoked by the Company prior to completion of the relevant sale.

- 10.7 If a Called A Shareholder does not, in respect of his Called A Shares which are the subject of an Call Notice, execute transfer(s) in respect of all of such Called A Shares and do such things as are, in the reasonable opinion of the Board, necessary to give effect to such transfer, the defaulting Called A Shareholder shall be deemed to have

irrevocably appointed any person nominated for the purpose by the Board to be his agent and/or attorney (as determined by the Board) with full power to do all such things as are necessary to give effect to such transfer (including without prejudice the generality of the foregoing, power to execute, complete and deliver, in the name and on behalf of the Called A Shareholder and whether as a deed or otherwise (i) transfers of the relevant Called A Shares to the Company in the manner provided for in the Articles and (ii) if required, an indemnity for lost share certificate(s) for the relevant Called A Shares in such form as the Board may from time to time require).

## 11. TAG ALONG RIGHTS

- 11.1 Subject to Article 8, the provisions of Article 11.1 to Article 11.7 (inclusive) shall apply if, in one or a series of related transactions, Ordinary Shareholders propose to transfer ("**Proposed Transfer**") any of their Shares ("**Transfer Shares**") which would, if carried out, result in any person (referred to in this Article as the "**Buyer**"), and any person Acting in Concert with the Buyer, acquiring a Controlling Interest.
- 11.2 In the event that a Buyer makes an offer for a Controlling Interest, the Ordinary Shareholders who are proposing to transfer their Shares shall, if they propose to accept such offer, procure that the Buyer makes an offer ("**Offer**") to the remaining Shareholders ("**Minority Shareholders**") to purchase the same proportion of their Shares as the Buyer is purchasing from the Ordinary Shareholders for a consideration per Share that is, calculated in accordance with the provisions regarding allocation of Exit Proceeds under Article 4.4 ("**Specified Price**").
- 11.3 The Offer shall be given by written notice ("**Tag Notice**"), at least 10 Business Days ("**Offer Period**") before the proposed sale date ("**Sale Date**"). To the extent not described in any accompanying documents, the Tag Notice shall set out:
- 11.3.1 the identity of the Buyer;
  - 11.3.2 the Specified Price and other terms and conditions of payment;
  - 11.3.3 the Sale Date; and
  - 11.3.4 the number of Shares proposed to be purchased by the Buyer ("**Minority Offer Shares**").
- 11.4 If the Buyer fails to make the Offer to all holders of the Shares in the Company in accordance with Articles 11.1 to 11.3, the Ordinary Shareholders who wish to accept the offer 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.
- 11.5 If the Offer is accepted by any Minority Shareholders ("**Accepting Minority Shareholder**") within the Offer Period (and such acceptance shall be irrevocable), the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Minority Offer Shares held by the Accepting Minority Shareholders.

The consideration payable to each Shareholder shall be determined in accordance with Article 4.4 and for the avoidance of doubt, shall not affect the aggregate sum payable by the Buyer.

- 11.6 If any Accepting Minority Shareholder does not, on the Sale Date, execute transfer(s) in respect of all of the Minority Offer Shares held by it, the defaulting Minority Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Board to be his agent and/or attorney (as determined by the Board) to execute all necessary transfer(s) on his behalf, including executing any of those documents and doing any of those things as set out in Article 11.7, against receipt by the Company (on trust for such holder) of the consideration payable for the Minority Offer Shares (if any), to deliver such transfer(s) to the Buyer (or as they may direct) as the holder thereof. After the 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 11.
- 11.7 Each Accepting Minority Shareholder shall unless the Board determines otherwise:
- 11.7.1 pay its pro rata share (based on the aggregate proceeds to be received from the Proposed Transfer) of the reasonable expenses incurred by the Ordinary Shareholders in connection with such Proposed Transfer;
  - 11.7.2 subject to the terms of any agreement between the Shareholders and the Buyer, grant such representations and warranties as the Board (acting reasonably) thinks fit;
  - 11.7.3 deliver free and clear title of their Shares subject to the Proposed Transfer; and
  - 11.7.4 be obliged to fund any indemnification or be liable for its proportion of damages or a settlement (in respect of representations and warranties and covenants or otherwise which have been made by such Accepting Minority Shareholder through escrow or otherwise) on such basis as may be agreed between the Shareholders and the Buyer, provided that the aggregate funding provided by or liability of such Accepting Minority Shareholder with respect to this obligation shall not exceed the aggregate amount representing the consideration (if any) received by such Accepting Minority Shareholder for its Shares in such Proposed Transfer.

## 12. **DRAG ALONG RIGHTS**

- 12.1 Subject to Article 8, if Ordinary Shareholders wish to transfer some or all of their interest in their Shares to a bona fide arm's length purchaser ("**Proposed Buyer**"), which would, if carried out, result in the Proposed Buyer and any person acting in concert with the Proposed Buyer, acquiring a Controlling Interest, such Ordinary Shareholders may require all other Shareholders ("**Called Shareholders**") to sell and transfer all of their Shares (which, for the avoidance of doubt, shall be irrespective of any particular class of Share held by the Called Shareholder) to the Proposed Buyer (or to the Proposed

Buyer's nominee) in accordance with the provisions of this Article 12 ("**Drag Along Option**").

- 12.2 The relevant Ordinary Shareholders may exercise the Drag Along Option by giving written notice to that effect ("**Drag Along Notice**") at any time before completion of the transfer of their Shares to the Proposed Buyer. The Drag Along Notice shall specify:
- 12.2.1 that the Called Shareholders are required to transfer every Share held by such Called Shareholders ("**Called Shares**") pursuant to this Article 12;
  - 12.2.2 the person to whom the Called Shares are to be transferred;
  - 12.2.3 the consideration payable for the Called Shares which shall, for each Called Share, be determined in accordance with the provisions regarding the allocation of Exit Proceeds as contained in Article 4.4; and
  - 12.2.4 the proposed date of the transfer.
- 12.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the relevant Ordinary Shareholders have not sold their Shares (or some as the case may be) to the Proposed Buyer within 20 Business Days after the later to occur of (i) the date upon which any required regulatory authority or consent has been obtained and (ii) the service of the Drag Along Notice. The Ordinary Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 12.4 Completion of the sale of the Called Shares shall take place on the Completion Date (as defined below). "**Completion Date**" means the date proposed for completion of the sale of the relevant Ordinary Shareholders' Shares unless:
- 12.4.1 all of the Called Shareholders and the relevant Ordinary Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the relevant Ordinary Shareholders; or
  - 12.4.2 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 20 Business Days after service of the Drag Along Notice.
- 12.5 Within 20 Business Days of the relevant Ordinary 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 (if any) they are due for their Shares pursuant to Article 12.2.3 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price (if any) shall be a good discharge to the Proposed Buyer. The



Company shall hold the amounts due to the Called Shareholders pursuant to Article 12.2.3 in trust for the Called Shareholders without any obligation to pay interest.

- 12.6 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay any consideration due pursuant to Article 12.2.3, 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 12 in respect of their Shares.
- 12.7 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 Board to be his agent and/or attorney (as determined by the Board) to execute all necessary transfer(s) on his behalf, including executing any of those documents and doing any of those things as set out in Article 12.8, 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 12.
- 12.8 Each Called Shareholder shall unless the Board determines otherwise:
  - 12.8.1 pay its pro rata share (based on the aggregate proceeds to be received from the sale of the relevant Ordinary Shareholders' Shares and the Called Shares ("**Drag Along Sale**") of the reasonable expenses incurred by the Ordinary Shareholders in connection with such Drag Along Sale;
  - 12.8.2 subject to the terms of any agreement between the Ordinary Shareholders and the Proposed Buyer, grant such representations and warranties as the Board (acting reasonably) thinks fit;
  - 12.8.3 deliver free and clear title of their Shares subject to the Drag Along Sale; and
  - 12.8.4 be obliged to fund any indemnification or be liable for its proportion of damages or a settlement (in respect of representations and warranties and covenants or otherwise which have been made by such Called Shareholder through escrow or otherwise) on such basis as may be agreed between the Shareholders and the Proposed Buyer, provided that the aggregate funding provided by or liability of such Called Shareholder with respect to this obligation shall not exceed the aggregate consideration received by such Called Shareholder for its Shares in such Drag Along Sale.

### 13. LEAVERS

- 13.1 Subject to Article 10, the provisions of this Article 13 shall apply to any Leaver in respect of that Leaver's holding of A Shares.
- 13.2 In the event that an Employee Member becomes a Leaver, the Board may, at its discretion (or, shall, where requested by the holders of a majority of Ordinary Shares in writing), at any time thereafter, give notice in writing ("**Mandatory Transfer Notice**") to the Leaver. Such Mandatory Transfer Notice shall constitute the Company (acting by the Board) as the agent of the Leaver empowered to offer for sale and sell the Leaver's entire holding of A Shares ("**Leaver's Shares**") (together with all rights attaching thereto) at the Mandatory Purchase Price (as determined in accordance with Article 13.4) on the terms of this Article 13. A Mandatory Transfer Notice may not be revoked.
- 13.3 For as long as a Leaver is a Shareholder, the Board may determine (and the holders of a majority of Ordinary Shares may request in writing that the Board determine) at any time that a Mandatory Transfer Notice has been served by that Leaver. The Board has the further right to postpone any Mandatory Transfer Notice for such period as they determine.
- 13.4 The Mandatory Purchase Price shall (subject to Article 14.2) be determined as follows:

<b>Category of person to whom this Article applies</b>	<b>Mandatory Purchase Price</b>
Good Leaver	The higher of the:  (a) Fair Value of the Leaver's Shares as at the Valuation Date; and  (b) Acquisition Cost of the Leaver's Shares.
Bad Leaver	The lower of the:  (a) Fair Value of the Leaver's Shares as at the Valuation Date; and  (b) Acquisition Cost of the Leaver's Shares.

- 13.5 As soon as practicable following the giving of a Mandatory Transfer Notice (referred to in this Article as "**First Offer Date**"), the Board shall offer the Leaver's Shares to the Company and (if necessary) to Ordinary Shareholders (as applicable) in accordance with Articles 13.6 to 13.10 (inclusive).
- 13.6 The Board shall firstly offer the Leaver's Shares to the Company and the Board (acting reasonably) shall consider on behalf of the Company whether the Company shall purchase the Leaver's Shares at the Mandatory Purchase Price within 15 Business Days

of the First Offer Date ("**First Leaver Period**") and any such Leaver's Shares which the Company wishes to purchase shall be allocated to the Company.

- 13.7 If, at the end of the First Leaver Period, the total number of Leaver's Shares applied for by the Company is less than the aggregate number of Leaver's Shares, the balance ("**Surplus Leaver's Shares**") shall be dealt with in accordance with Article 13.8.
- 13.8 As soon as practicable after the end of the First Leaver Period, the Board shall offer (the date of such offer being referred to in this Article as the "**Second Offer Date**") the Surplus Leaver's Shares to all Ordinary Shareholders at the Mandatory Purchase Price inviting them to apply in writing within 10 Business Days of the Second Offer Date ("**Second Leaver Period**") for the maximum number of Surplus Leaver's Shares such Ordinary Shareholders wish to buy.
- 13.9 If, at the end of the Second Leaver Period, the number of Surplus Leaver's Shares applied for by Ordinary Shareholders is equal to or exceeds the number of Surplus Leaver's Shares, the Board shall (within 10 Business Days of the end of the Second Leaver Period) allocate the Leaver's Shares to such Ordinary Shareholders who have applied for Surplus Leaver's Shares in the proportion which his existing holding of Ordinary Shares bears to the total number of Ordinary Shares held by those Ordinary Shareholders who have applied for Surplus Leaver's Shares. Fractional entitlements shall be rounded to the nearest whole number. No allocation shall be made to an Ordinary Shareholder of more than the maximum number of Surplus Leaver's Shares which he has stated a willingness to buy.
- 13.10 If, at the end of the Second Leaver Period, the total number of Surplus Leaver's Shares applied for by Ordinary Shareholders is less than the number of Surplus Leaver's Shares, the Board shall (within 10 Business Days of the end of the Second Leaver Period) allocate the Surplus Leaver's Shares to the relevant Ordinary Shareholders in accordance with their applications. The balance shall be retained by the Leaver subject to any subsequent Mandatory Transfer Notice pursuant to Article 13.3 and the other provisions of these Articles.
- 13.11 If allocations under this Article 13 have been made in respect of some or all of the Leaver's Shares, the Board shall give written notice of allocation ("**Buyer Allocation Notice**") to the Leaver and to the Company and/or any Ordinary Shareholders to whom the Leaver's Shares have been allocated (each a "**Buyer Applicant**"). The Buyer Allocation Notice shall specify the number of Leaver's Shares allocated to each Buyer Applicant, the amount (if any) payable by each Buyer Applicant for the number of Leaver's Shares allocated to it, him or her (referred to for the purposes of this Article as "**Purchase Consideration**") and the place and time for completion of the transfer of the Leaver's Shares (which shall be not more than 10 Business Days after the date of the Buyer Allocation Notice).
- 13.12 On the service of a Buyer Allocation Notice, the Leaver shall, against payment of the Purchase Consideration (if any), transfer the Leaver's Shares allocated in accordance with the requirements specified in the Buyer Allocation Notice.

13.13 If the Leaver fails to comply with the requirements of the Buyer Allocation Notice:

13.13.1 the Leaver shall be deemed to have irrevocably appointed the Chairman of the Board (or, failing the Chairman, one of the other directors, or some other person nominated by a resolution of the Board) to be the Leaver's agent and/or attorney (as determined by the Board) to, on behalf of the Leaver:

- (a) complete, execute and deliver in the Leaver's name all documents necessary to give effect to the transfer of the relevant Leaver's Shares to the Buyer Applicants including any stock transfer form and/or relevant purchase contract;
- (b) receive the Purchase Consideration and give a good discharge for it (and the Company shall pay the Purchase Consideration into a separate bank account in the Company's name on trust (but without interest) for the Leaver until the Leaver has delivered the Leaver's share certificate for the relevant Leaver's Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost share certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company); and
- (c) (subject to the transfers being duly stamped and where relevant) enter the Buyer Applicant(s) in the register of members as the holder(s) of the Leaver's Shares purchased by them (where applicable).

#### 14. **OBLIGATORY TRANSFER EVENTS**

14.1 If anything mentioned in this Article 14 happens to or relates to an Employee Member it shall be an Obligatory Transfer Event in respect of that Employee Member and the provisions of Article 13 shall apply (as if the Board had given a Mandatory Transfer Notice) with the relevant Employee Member being treated as a Bad Leaver for all relevant purposes:

- 14.1.1 an order is made for that Employee Member's bankruptcy;
- 14.1.2 an application to the court is made under section 253 of the Insolvency Act 1986 where that Employee Member intends to make a proposal to his creditors for a voluntary arrangement;
- 14.1.3 that Employee Member makes an individual voluntary arrangement with his creditors on agreed terms pursuant to Schedule 22 of the Enterprise Act 2002;
- 14.1.4 that Employee Member convenes a meeting of his creditors or takes any other steps with a view to making an arrangement or composition in satisfaction of his creditors generally;
- 14.1.5 that Employee Member is unable to pay his debts as they fall due for the purposes of section 268 of the Insolvency Act 1986;

- 14.1.6 the happening in relation to that Employee Member of any event analogous or similar to any of the above in any jurisdiction;
  - 14.1.7 that Employee Member has a disqualification order made against him under the Company Directors Disqualification Act 1986; or
  - 14.1.8 that Employee Member commits a material and persistent breach of his obligations under these Articles which, if capable of remedy, has not been so remedied within 20 Business Days of the Board requiring such remedy.
- 14.2 For the avoidance of doubt, the Mandatory Purchase Price for an Employee Member who is subject to an Obligatory Transfer Event shall be the same as the price payable to a Bad Leaver under Article 13.4.
15. **FAIR VALUE**
- 15.1 The Board shall determine Fair Value and in determining the Fair Value of A Shares for the purposes of these Articles, the Board shall apply the principles contained in this Article 15.
- 15.2 In determining Fair Value:
- 15.2.1 the Board may take such advice as it sees fit and may delegate any of its powers under this Article 15 to the Auditors; and
  - 15.2.2 the Board shall subject to the foregoing determine what, in their reasonable opinion, the Exit Proceeds would be, assuming for those purposes that a Share Sale had occurred at the relevant Valuation Date and assuming a sale of the entire issued share capital of the Company at that time; or
  - 15.2.3 where there is an Exit which is proposed at the relevant Valuation Date or an Exit is (in the reasonable opinion of the Board at the relevant Valuation Date) likely to occur, the Board may determine what such Exit Proceeds are likely to be (taking such advice as the Board may reasonably require) based upon facts available to them at the time.
- 15.3 The Board or Auditors (as the case may be) shall:
- 15.3.1 value the Company on a going concern basis on the assumption of an arm's length sale between a willing seller and a willing buyer;
  - 15.3.2 assume that all Shares are fully paid; and
  - 15.3.3 in determining the Fair Value for each A Share not apply any discount or premium (if relevant) to reflect the fact that the A Shares being valued may represent a minority or majority (as the case may be).
- 15.4 The determined Exit Proceeds pursuant to Article 15.2 shall, in order to arrive at Fair Value for any A Shares then be deemed to be allocated as set out in accordance with

the terms of Article 4.4 between the Shareholders (in their capacity as holders of and pursuant to the inherent rights attached to the relevant classes of Shares) and without applying any discount or premium in accordance with Article 15.3.

- 15.5 If required to act, the Auditors shall be considered to be acting as experts and not as arbitrators and their decision and that of the Board shall (save in the case of manifest error) be final and binding. The reasonable costs of the Auditors shall (subject to being provided otherwise in these Articles) be borne by the Company. Where the Auditors refuse to give the opinion or certificate required of them the matter shall be referred to an independent firm of chartered accountants agreed by a majority of Ordinary Shareholders or, failing agreement within 7 days, a firm selected by the President for the time being of the Institute of Chartered Accountants in England and Wales upon the application of any Ordinary Shareholder.

**16. DIRECTORS**

- 16.1 Unless and until otherwise determined by the Company in general meeting, the number of Directors shall not be less than two nor more than eight.
- 16.2 It shall not be necessary for a Director to hold Shares to qualify him as a Director.

**17. CALLING A BOARD MEETING**

- 17.1 Any Director may call a Board meeting by giving reasonable notice of the meeting to the Board or by authorising the company secretary (if any) to give such notice.
- 17.2 Notice of a Board meeting must be sent to every Director, including Directors who are absent from the United Kingdom.
- 17.3 Article 9 of the Model Articles shall be modified accordingly.

**18. QUORUM FOR BOARD MEETINGS**

- 18.1 Subject to Article 18.2, the quorum for the transaction of business at a Board meeting is two eligible Directors.
- 18.2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 21 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.

**19. PROCEEDINGS AT BOARD MEETINGS**

- 19.1 Any Director or his alternate may validly participate in a Board meeting or a committee of Directors through the medium of conference telephone, video 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 the 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 any contrary

provisions contained in these Articles). Subject to the Act, all business transacted in such manner by the Board or a committee of the Directors shall for the purposes of the Articles be deemed to be validly and effectively transacted at a meeting of the Board or of a committee of the Directors notwithstanding that fewer than two Directors or alternate Directors are physically present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the Chairman of the meeting then is.

- 19.2 If the numbers of votes for and against a proposal are equal, the Chairman or other Director chairing the meeting shall have a casting vote.

**20. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

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

- 20.1 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;
- 20.2 shall be an eligible Director for the purposes of any proposed decision of the Board (or committee of Directors) in respect of such contract or proposed contract in which he is interested;
- 20.3 shall be entitled to vote at a Board meeting (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;
- 20.4 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;
- 20.5 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
- 20.6 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.

## 21. DIRECTORS' CONFLICTS OF INTEREST

- 21.1 The Directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an "**Interested Director**") breaching his duty under section 175 of the Act to avoid conflicts of interest ("**Conflict**").
- 21.2 Any authorisation under this Article 21 will be effective only if:
- 21.2.1 to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Board under the provisions of these Articles or in such other manner as the Board may determine;
  - 21.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
  - 21.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 21.3 Any authorisation of a Conflict under this Article 21 may (whether at the time of giving the authorisation or subsequently):
- 21.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
  - 21.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at Board meetings or otherwise) related to the Conflict;
  - 21.3.3 provide that the Interested Director shall or shall not be an eligible Director in respect of any future decision of the Board vote in relation to any resolution related to the Conflict;
  - 21.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Board think fit;
  - 21.3.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
  - 21.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any Board meeting and be excused from reviewing papers prepared by, or for, the Board to the extent they relate to such matters.



- 21.4 Where the Board authorises a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Board in relation to the Conflict.
- 21.5 The Board may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 21.6 In authorising a Conflict the Board 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:
- 21.6.1 disclose such information to the Board or to any Director or other officer or employee of the Company; or
- 21.6.2 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.
- 21.7 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 Board 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.

## **22. RECORDS OF DECISIONS TO BE KEPT**

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

## **23. APPOINTMENT & REMOVAL OF DIRECTORS**

- 23.1 No person shall be or become incapable of being appointed a Director by reason of his having attained the age of seventy or any other age nor shall any special notice be required in connection with the appointment or the approval of the appointment of such person and no Director shall vacate his office at any time by reason of the fact that he has attained the age of seventy or any other age.
- 23.2 In any case where, as a result of death or bankruptcy, the Company has no Shareholders and no Directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) 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.

- 23.3 The office of Director shall be vacated by any person:
- 23.3.1 if by notice in writing to the Company a Director resigns the office of Director;
  - 23.3.2 if that person ceases to be a Director by virtue of any provision of the Act (including without limitation section 168 of the Act) or is prohibited from being a Director by law;
  - 23.3.3 if a bankruptcy order is made against that person;
  - 23.3.4 if a composition is made with that person's creditors generally in satisfaction of that person's debts; or
  - 23.3.5 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months.

24. **APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

- 24.1 Any Director ("**appointor**") may appoint as an alternate any other Director, or any other person approved by resolution of the Board, to:
- 24.1.1 exercise that Director's powers; and
  - 24.1.2 carry out that Director's responsibilities,
- in relation to the taking of decisions by the Board, in the absence of the alternate's appointor.
- 24.2 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 Board.
- 24.3 The notice must:
- 24.3.1 identify the proposed alternate; and
  - 24.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.

25. **RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

- 25.1 An alternate Director may act as alternate Director to more than one Director and has the same rights in relation to any decision of the Board as the alternate's appointor.
- 25.2 Except as the Articles specify otherwise, alternate Directors:
- 25.2.1 are deemed for all purposes to be Directors;

- 25.2.2 are liable for their own acts and omissions;
- 25.2.3 are subject to the same restrictions as their appointors; and
- 25.2.4 are not deemed to be agents of or for their appointors

and, in particular (without limitation), each alternate Director shall be entitled to receive notice of all Board meetings and of all meetings of committees of Directors of which his appointor is a member.

25.3 A person who is an alternate Director but not a Director:

- 25.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
- 25.3.2 may participate in a unanimous decision of the Board (but only if his appointor is an eligible Director in relation to that decision, but does not participate); and
- 25.3.3 shall not be counted as more than one Director for the purposes of Articles 25.3, 25.3.1 and 25.3.2.

25.4 A Director who is also an alternate Director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the Board (provided that his appointor is an eligible Director in relation to that decision), but shall not count as more than one Director for the purposes of determining whether a quorum is present.

25.5 An alternate Director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate Director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

**26. TERMINATION OF ALTERNATE DIRECTORSHIP**

An alternate Director's appointment as an alternate terminates:

- 26.1.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- 26.1.2 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;
- 26.1.3 on the death of the alternate's appointor; or
- 26.1.4 when the alternate's appointor's appointment as a Director terminates.

27. **BORROWING POWERS**

The Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and subject as otherwise provided in these Articles to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

28. **SECRETARY**

The Board 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 Board so decide, appoint a replacement, in each case by a decision of the Board.

29. **GENERAL MEETINGS**

Notices convening general meetings of the Company shall comply with the provisions of Chapter 3 of Part 13 of the Act.

30. **POLL VOTES**

30.1 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.

30.2 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.

31. **PROXIES**

31.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".

31.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the Board, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that Article.

31.3 Proxies must be deposited at the registered office of the Company or, to such other postal address, electronic mail address or facsimile number as may be specifically permitted for the purpose of depositing proxy forms in the notice convening such general meeting. For the avoidance of doubt, where no such alternative is specifically provided for in the notice convening the relevant general meeting all proxy forms

relating to that general meeting must be deposited at the registered office of the Company.

- 31.4 Where there is a vote on a resolution on a show of hands at a general meeting and a member entitled to vote on the resolution has appointed more than one proxy those proxies (when taken together) shall not be entitled to have more votes than the member would have if he were present in person.

## 32. **SINGLE SHAREHOLDER COMPANY**

- 32.1 If, and for so long as, the Company has only one Shareholder, the following provisions shall apply:

32.1.1 The sole Shareholder of the Company (or the proxy or authorised representative of the sole Shareholder representing that Shareholder at the relevant general meeting) shall be the Chairman of any general meeting of the Company and Article 39 of the Model Articles shall be modified accordingly.

32.1.2 All other provisions of these Articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to a Company which has only one Shareholder.

## 33. **SHARES**

The Company may issue shares for less than the aggregate of their nominal value.

## 34. **LIEN, CALLS ON SHARES AND FORFEITURE**

- 34.1 The Company has a lien (the "**Company's Lien**") over every share (whether fully paid up or not) which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.
- 34.2 The provisions of Articles 52(2) and (3), 55, 56(2), 57(2), (3) and (4), 59, 60, 61 and 62 for public companies set out in Schedule 3 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229) shall apply to the Company, save that each reference in those Articles to a "member" or "members" shall be deemed to be references to a "shareholder" or "shareholders" (as the case may be).

## 35. **MEANS OF COMMUNICATION TO BE USED**

- 35.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- 35.1.1 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);

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

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

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; or, if earlier, as soon as the member acknowledges actual receipt.

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

35.2 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.

35.3 A member present in person at any meeting of the Company shall be deemed to have received notice of the meeting and, where necessary, of the purposes for which it was called.

## 36. **INDEMNITY**

36.1 Subject to Article 36.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

36.1.1 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:

- (a) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
- (b) in relation to the Company's (or any associated Company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of

duty or breach of trust in relation to the Company's (or any associated Company's) affairs; and

- 36.1.2 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 36.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.
- 36.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- 36.3 In this Article:
  - 36.3.1 companies are associated if one is a Subsidiary of the other or both are Subsidiaries of the same body corporate; and
  - 36.3.2 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).
- 37. **INSURANCE**
  - 37.1 The Board 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.
  - 37.2 In this Article:
    - 37.2.1 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);
    - 37.2.2 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.
    - 37.2.3 companies are associated if one is a Subsidiary of the other or both are Subsidiaries of the same body corporate.