

**Company Number: 01772901**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**GRIPPLE LIMITED**

**(Adopted pursuant to a Special Resolution dated 5 May 2022)**

**PRELIMINARY AND OBJECTS**

- 1.1 The regulations contained in Table A of the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985, the Companies Act (Electronic Communications) Order 2000, the Companies (Tables A to F) (Amendment) Regulations 2007 and the Companies (Tables A to F) (Amendment)(No.2) Regulations 2007 (hereinafter referred to as "**Table A**") shall apply to the Company except in so far as they are excluded or varied by these Articles and those regulations (except as so excluded or varied) and these Articles shall together be the regulations of the Company. The model articles contained in Schedule 1 to the Companies (Model Articles) Regulations 2008 shall not apply to the Company.
- 1.2 References to 1985 Act and 2006 Act are to the Companies Act 1985 and the Companies Act 2006 respectively.
- 1.3 References to the Acts are to the 1985 Act and the 2006 Act in each case to the extent to which the provisions of the same are for the time being in force.
- 1.4 Except where the context otherwise requires references to any provision in the 1985 Act shall be treated (where and when applicable) as being a reference to the corresponding provision (or provisions) that most nearly corresponds to it in the 2006 Act or in any subordinate legislation made under the 2006 Act.
- 1.5 Objects
  - 1.5.1 The objects of the Company are to promote the success of the Company;
    - (i) for the benefit of its members as a whole; and
    - (ii) through its business and operations, to have a material positive impact on (a) society and (b) the environment,taken as a whole.

1.5.2 A Director must act in the way he or she considers, in good faith, most likely to promote the success of the Company in achieving the objects set out in paragraph (1) above, and in doing so shall have regard (amongst other matters) to:

- a. the interests of the Company's employees,
- b. the likely consequences of any decision of the Directors in the long term and the impact any such decision may have on any affected stakeholders,
- c. the need to foster the Company's business relationships with suppliers, customers and others,
- d. the impact of the Company's operations on the community and the environment and on affected stakeholders,
- e. the desirability of the Company maintaining a reputation for high standards of business conduct and the impact this has on affected stakeholders, and
- f. the need to act fairly as between members of the Company,

(together, the matters referred to above shall be defined for the purposes of this Article as the "**Stakeholder Interests**" and each a "**Stakeholder Interest**").

1.5.3 For the purposes of a Director's duty to act in the way he or she considers, in good faith, most likely to promote the success of the Company, a Director shall not be required to regard the benefit of any particular Stakeholder Interest or group of Stakeholder Interests as more important than any other.

1.5.4 Nothing in this Article express or implied, is intended to or shall create or grant any right or any cause of action to, by or for any person (other than the Company).

1.5.5 The Directors of the Company shall, for each financial year of the Company, prepare and circulate to its members an impact report. The impact report shall contain a balanced and comprehensive analysis of the impact the Company's business has had, in a manner proportionate to the size and complexity of the business. The impact report shall contain such detail as is necessary to enable the members to have an understanding of the way in which the Company has promoted its success for the benefit of its members as a whole and, through its business and operations, sought to have a material positive impact on society and the environment, taken as a whole. If the Company is also required to prepare a strategic report under the Companies Act 2006, the Company may choose to publish the impact report as part of its strategic report and in accordance with the requirements applying to the strategic report.

## INTERPRETATION

2.1 In these Articles the following words have the following meanings: -

**"Business Day"** means a day other than a Saturday, Sunday or a public holiday as indicated on <https://www.gov.uk/bank-holidays>.

**"Cap"** means 5%;

**"a Controlling Interest"** means an interest in Ordinary Shares or Non-Tradeable Shares conferring in the aggregate in excess of 50.1% of the total voting rights conferred by all the issued Ordinary Shares and Non-Tradeable Shares;

**"Director"** means a person from time to time appointed to the Shareholder Board under Articles 24 or 25 but (for the avoidance of doubt) not an Executive Director (unless such Executive Director has been so appointed);

**"Employee Member"** means a person (other than a member of the Facey Family, a member of the Panter Family or a holder of Preference Shares) who is or has been a Director and/or Executive Director and/or an employee and/or consultant of the Company or any of its subsidiaries or any other GLIDE Member Company;

**"Executive Board"** means the board of Executive Directors;

**"Executive Director"** means a person appointed from time to time to the Executive Board under Article 28 and who is not a Director (unless appointed to the Shareholder Board under Articles 24 or 25);

**"Family Trust"** means a trust which only permits the settled property or the income therefrom to be applied for the benefit of the settlor and/or a Privileged Relation of that settlor or any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income therefrom when the trust is created but may become so interested if there are no other beneficiaries from time to time except another such charity or charities) and under which no power of control is capable of being exercised over the votes of any shares which are the subject of the trust by any person other than the trustees or the settlor or the Privileged Relations of the settlor and for these purposes "settlor" includes a testator or an intestate in relation to a Family Trust arising respectively under a testamentary disposition or an intestacy of a deceased Member;

**"FFF"** means Facey Family Foundation a company limited by guarantee (Company Number: 7570397);

**"GLIDE"** means Growth Led Innovation Driven Employee Company Limited a company limited by guarantee (Company Number: 7570232);

**"GLIDE Member Company"** means any other company which GLIDE invests in by purchasing shares in that company;

**"GLIDE Foundation"** means GLIDE Foundation a company limited by guarantee (Company Number 13985372)

**"Gripple Foundation"** means Gripple Foundation a company limited by guarantee (Company Number 13305179)

**"Golden Share"** means a golden share of £1.00 in the capital of the Company;

**"Investee Company"** means any company in which GLIDE holds or intends to hold shares and which:

- (a) is designated as such by resolution of GLIDE's Directors;
- (b) has issued or intends to issue golden shares;
- (c) promotes employee ownership; and
- (d) meets such other criteria as determined by GLIDE's Directors from time to time

**"Member"** means a person who is a member of the Company;

**"a member of the Facey Family"** means any lineal descendant of Hugh David Facey and any Privileged Relation of any such lineal descendant or of the said Hugh David Facey and the

trustees for the time being of a Family Trust of which any such lineal descendant or of which Hugh David Facey or a Privileged Relation of any of them is the settlor;

**"a member of the Panter Family"** means any lineal descendant of Gordon Wilson Panter (former Managing Director of PMS Diecasting Limited Company Registration Number 01359427) and any Privileged Relation of any such lineal descendant or of the said Gordon Wilson Panter and the trustees for the time being of a Family Trust of which any such lineal descendant or of which Gordon Wilson Panter or a Privileged Relation of any of them is the settlor;

**"Member's Shareholding Percentage"** means in respect of a Member (other than an Uncapped Member) a figure calculated according to the formula:

$$\text{MSP} = \frac{X}{Y} \times 100$$

Where:

MSP = the Member's Shareholding Percentage for that Member;

X = the total number of issued Ordinary Shares, Non-Tradeable Shares and Non-Voting Non-Tradeable Shares held by that Member at the date of calculation;

Y = the total number of issued Ordinary Shares, Non-Tradeable Shares and Non-Voting Non-Tradeable Shares in the Company at the date of calculation;

including (in the case of X and Y) the Ordinary Shares, Non-Tradeable Shares or Non-Voting Non-Tradeable Shares (if any) which would be issued if at the date of calculation all unexercised options over or rights to convert any security into Ordinary Shares, Non-Tradeable Shares or Non-Voting Non-Tradeable Shares had been exercised

**"Non-Tradeable Share"** means an ordinary share of £0.50 in the capital of the Company which is subject to the restrictions on transfer set out in Article 13.6.5;

**"Non-Voting Non-Tradeable Share"** means an ordinary share of £0.50 in the capital of the Company which is not entitled to vote, and which is subject to the restrictions on transfer set out in Article 13.6.6;

**"Ordinary Share"** means an ordinary share of £0.50 in the capital of the Company;

**"Original Member"** means any member who is an Employee Member or pension scheme of the Employee Member;

**"Preference Share"** means a redeemable preference share of £1.00 in the capital of the Company;

**"Privileged Relation(s)"** means the spouse, civil partner or widow or widower of the Original Member and the Original Member's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the Original Member's children;

**"Privileged Relation Member"** means any member who is a Privileged Relation;

**"Shareholder Board"** means the board of Directors;

**"Share Transfer Committee"** has the meaning set out in Article 22.1;

**"Special Category Member"** means any member which is not an Original Member, Privileged Relation Member or Uncapped Member;

**"Turnover Growth Aim"** means the aim that the Company grows its turnover by a minimum of 10% each financial year and to generate 25% of its turnover from new products launched within the previous four financial years;

**"Uncapped Member"** means each of GLIDE, FFF, any Investee Company (other than the Company) a member of the Facey Family, the H D Facey Life Interest Settlement, the Gripple Limited Self-Administered Pension Scheme and Roger Hall;

**"Value Threshold"** means, at a date on which value is determined, 20% of the consolidated net assets of the Company and its subsidiaries shown in the Company's audited accounts which are the most recently available at such date.

- 2.2 Unless the context otherwise requires, words and expressions which bear particular meanings in Table A or in the 2006 Act shall bear the same respective meanings in these Articles and references in Table A to a "Director" shall be treated as being a reference to a "Director".

## SHARE CAPITAL

3. Save as stated in these Articles the Ordinary Shares, the Non-Tradeable Shares, the Non-Voting Non-Tradeable Shares and the Golden Shares shall rank pari passu in all respects.
4. The liability of the Members is limited to the amount, if any, unpaid on the shares held by them.
- 5.1 Subject to these Articles, but without prejudice to the rights attaching to any existing share, the Directors may issue shares with such rights and/or restrictions as the Directors may determine and, subject to the provisions of the 2006 Act they may issue shares that are to be redeemed or are liable to be redeemed at the option of the Company or the shareholder ("**redeemable shares**") and the Directors of the Company are hereby authorised to determine the terms, conditions and manner of redemption of any such redeemable shares.
- 5.2 Subject to any direction to the contrary which may be given by the Company in general meeting and to Article 5.4 below, the Directors are generally and unconditionally authorised for the purposes of section 551 of the 2006 Act to exercise all the powers of the Company to allot or grant options over or rights to convert any security into any shares of the Company to such persons, on such terms and in such manner as they think fit, up to a maximum amount of 15,000,000 Ordinary Shares, 5,000,000 Non-Tradeable Shares, 20,000,000 Preference Shares and 2 Golden Shares at any time or times during the period of five years from the date of amendment of these Articles.
- 5.3 The authority contained in Article 5.2 above shall enable the Directors to allot shares after the expiry of the said period of five years pursuant to an offer or agreement made by the Company before the expiry of the said period.
- 5.4 The authority contained in Article 5.2 above shall not enable the Directors to allot or grant options over or rights to convert into Ordinary Shares or Non-Tradeable Shares to any person (other than an Uncapped Member) to the extent that as a result of any such allotment or grant the Member's Shareholding Percentage for such person would exceed the Cap.
6. Sections 561 and 562 of the 2006 Act shall not apply to the allotment by the Company of equity security (as defined in section 560 of the 2006 Act).
7. Any shares which may be allotted to Members in right of existing shares of more than one class (whether by way of capitalisation of reserves, rights issue, stock dividend or otherwise) shall, unless the terms of issue otherwise provide, be designated as shares of the same class as the shares held by each Member entitled to the allotment. If a Member holds shares of more than one

class in right of which the allotment is made, the shares shall, unless the terms of allotment otherwise provide, be designated as shares of the same classes in proportion to the number of shares of each such class held by that Member.

## DIVIDENDS

8.1 The profits of the Company available for distribution shall be used to pay dividends in the order of priority specified in Articles 8.1.1 and 8.1.2;

8.1.1 First, the Company shall, without resolution of the Shareholder Board or of the Company in general meeting and before application of any profits to reserve or for any other purpose first, pay in respect of: -

- (a) each Preference Share in issue on the date of adoption of these Articles (a **"Series 1 Preference Share"**), a fixed cumulative dividend at the annual rate of 8%; and
- (b) each Preference Share issued after the date of adoption of these Articles a fixed cumulative dividend at an annual percentage rate (the **"Annual Percentage Rate"**) determined by the Directors in accordance with Article 5.1;

of the nominal value of each Preference Share of £1 per share (**"Issue Price"**) (excluding any associated tax credit) which dividend shall be paid in four equal instalments on the last banking day of each calendar quarter in each year to the person registered as the holder of such Preference Share at that date and which shall accrue daily and be calculated in respect of the period to such date assuming a 365 day year (the **"Cumulative Dividend"**). The first payment shall be made on the first quarter date following allotment for the period from and including the date of issue of such Preference Share to such quarter date and: -

8.1.1.1 Each Cumulative Dividend shall be deemed to accrue from day to day as well after as before the commencement of a winding-up and shall therefore be payable by a liquidator in respect of any period after such commencement in priority to other claims or rights of shareholders in respect of share capital.

8.1.1.2 Each Cumulative Dividend shall, provided the Company has sufficient profits available for distribution (**"Available Profits"**) out of which to pay the same and notwithstanding that such dividend is expressed to be cumulative, automatically become a debt due from and immediately payable by the Company on the relevant payment date specified in Article 8.1.1 If and to the extent that the debt so constituted is not paid in full on the payment date concerned the unpaid amount shall accrue interest at the rate of 8% (in the case of a Series 1 Preference Share) or such interest rate as is equivalent to the Annual Percentage Rate (in the case of another Preference Share) (**"Interest Rate"**) in respect of the period from and including the payment date concerned to the date of actual payment.

8.1.1.3 If the Company is unable to pay in full on the due date any Cumulative Dividend by reason of having insufficient Available Profits then it shall on such date pay the same to the extent that it is lawfully able to do so, and the unpaid amount shall carry interest at the Interest Rate in respect of the period from and including the payment date concerned down to and including the date of actual payment. Such interest shall accumulate and form part of the Cumulative Dividend to which it relates. It shall not therefore become payable until the Company has sufficient Available Profits with which to pay the relevant Cumulative Dividend.

8.1.1.4 Whereby reason of the Company having had insufficient Available Profits it is in arrears with the payment of Cumulative Dividends, the first Available Profits arising thereafter shall be applied in the following order of priority:

- (a) first, in or towards paying off all accruals and/or unpaid amounts of Cumulative Dividend; and
- (b) second, in or towards redeeming all Preference Shares which have not been redeemed on or by the due date for redemption in accordance with Article 12.1 or such terms as determined by the Directors pursuant to Article 5.1.

8.1.2 Second, and subject to the provisions of Article 8.1.1.4 the Company shall pay dividends to the holders of the Ordinary Shares, the Non-Tradeable Shares and the Non-Voting Non-Tradeable Shares, as if they were one class of share, as follows:

**Quarterly Dividend** shall mean one of four dividends paid in each financial year

**Accounting Quarter** shall mean one of four quarters in each financial year as set by the Directors from time to time

**Amount:** a minimum of one third of Net Profit

**Accrual Date:** each Quarterly Dividend shall accrue in each Accounting Quarter and shall be payable to shareholders registered on the final day of the respective Accounting Quarter.

**Payment Date:** not later than 4 months after the end of the relevant accounting period or within 14 days after the audit report on the accounts of the Company for the period is signed by the Company's auditors, whichever is the earlier

and: -

8.1.2.1 Each Quarterly Dividend shall be paid to the appropriate shareholders according to the amounts paid up or credited as paid up on the shares registered by them on the final day of the respective Accounting Quarter. All Quarterly Dividends are expressed net and shall be paid in cash.

8.1.2.2 Unless it is determined by the Directors, at their sole discretion that it would be detrimental to the future operations of the Company, the Directors shall declare a Quarterly Dividend. Each Quarterly Dividend shall be paid by the Payment Date. Such payment shall be made notwithstanding regulations 102 to 108 inclusive contained in Table A or any other provision of these Articles and in particular notwithstanding that there has not been a recommendation of the Directors or resolution of the Company in general meeting. Where a Quarterly Dividend has been declared but is not paid by the Payment Date it shall be a debt due by the Company and shall be payable after the payment of the Cumulative Dividend but otherwise in priority to any other dividend.

8.1.2.3 If due to delays in the preparation of the audited accounts of the Company the Quarterly Dividend cannot be calculated by the date it is due for payment, then the Company shall, after payment of the Cumulative Dividend, forthwith pay an interim dividend in respect of the Quarterly Dividend of a sum equal to the last Quarterly Dividend payable. The next and (if appropriate) any subsequent Quarterly Dividend shall be adjusted to take account of any overpayment or underpayment in respect of the said interim dividend which becomes apparent when the audited accounts are available.

8.1.2.4 **"Net Profit"** means the profit of the Company and its subsidiaries on ordinary activities after tax calculated on the historical cost accounting basis.

- 8.2 Once the Cumulative Dividends, the amounts payable to redeem all Preference Shares then due for redemption in accordance with Article 12.1 or such terms as determined by the Directors pursuant to Article 5.1 and the Quarterly Dividends in a financial year have been paid, any remaining profits which the Company may determine to distribute shall be distributed amongst the holders of the Ordinary Shares, the Non-Tradeable Shares and the Non-Voting Non-Tradeable Shares, as if they were one class of share.
- 8.3 The Company shall procure that each of its subsidiaries which has profits available for distribution shall from time to time and to the extent that it may lawfully do so declare and pay to the Company such dividends as are necessary to permit lawful and prompt payment by the Company of the Cumulative Dividends, the amounts payable to redeem all Preference Shares then due for redemption in accordance with Article 12.1 or such terms as determined by the Directors pursuant to Article 5.1 and the Quarterly Dividends.
- 8.4 The Golden Shares have no right to dividends.

### **SHARE CERTIFICATES**

- 9.1 Regulation 6 of Table A shall apply subject to the addition of the words "or otherwise executed by or on behalf of the Company" after the words "sealed with the seal" in the second sentence thereof.
- 9.2 The Company shall have a first and paramount lien on every share for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share. The Company shall also have a first and paramount lien on all shares registered in the name of any person (whether solely or jointly with others) for all monies owing to the Company from him or his estate either alone or jointly with any other person, whether as a Member or not and whether such monies are presently payable or not. The Directors may at any time declare any share to be wholly or partly exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of it. Regulation 8 of Table A shall not apply.

### **RETURN OF CAPITAL**

10. On a return of capital on liquidation or otherwise (except on a redemption or purchase by the Company of any shares), the surplus assets of the Company remaining after the payment of its liabilities (including for the avoidance of doubt any debts arising from non-payment of Cumulative Dividends and Quarterly Dividends) shall be applied in the following order of priority:
- 10.1 first, in paying each holder of Preference Shares in respect of each Preference Share of which it is the holder, an amount equal to (i) 100% of the Issue Price thereof, (ii) the aggregate amount of any accruals and/or unpaid amounts of Cumulative Dividend (to be calculated down to and including the date of the return of capital) and (iii) the premium (if any) due under Article 12.9 or such terms as determined by the Directors pursuant to Article 5.1 (calculated as if the Preference Shares had been redeemed immediately prior to the return of capital);
- 10.2 Second, in paying to each holder of Ordinary Shares, Non-Tradeable Shares, the Non-Voting Non-Tradeable Shares and Golden Shares in respect of each Ordinary Share, Non-Tradeable Share, Non-Voting Non-Tradeable Share and Golden Share of which it is the holder, a sum equal to the nominal value of each Ordinary Share, Non-Tradeable Share, Non-Voting Non-Tradeable Share and Golden Share respectively; and
- 10.3 the balance of such assets (if any) shall be distributed amongst the holders of the Ordinary Shares on a pro rata basis.



## VOTING RIGHTS

- 11.1 The voting rights attached to each class of shares shall be set out as in this Article.
- 11.2 Every shareholder holding one or more Ordinary Shares, Non-Tradeable Shares or Golden Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy,
- 11.2.1 on a show of hands, shall have one vote
- 11.2.2 on a poll, shall have one vote for each Ordinary Share, Non-Tradeable Share or Golden Share of which he is the holder.
- 11.3 The holders of the Preference Shares and the Non-Voting Non-Tradeable Shares will be entitled to receive notice of all general meetings, but such holders will not be entitled to attend or vote at any general meeting except that the Directors may invite such holders to attend (but not vote) at any general meeting.

## REDEMPTION RIGHTS

- 12.1 The Company shall, subject to the Acts, be entitled to redeem some or all of the Series 1 Preference Shares on 31 December 2010 and thereafter on the last banking day of each calendar quarter ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December in each year (such banking days being referred to as "**Quarter Days**"). Where Series 1 Preference Shares are to be redeemed in accordance with this Article 12.1, the Company shall give to the holders of the Series 1 Preference Shares falling to be redeemed at least one month's prior notice in writing of the redemption ("**Company Redemption Notice**").
- 12.2 Subject to Article 12.1, the Company shall redeem all of the remaining Series 1 Preference Shares then in issue on 31 December 2013 or such date as is agreed in writing between the Company and the holder of the relevant Series 1 Preference Shares.
- 12.3 The holders of Series 1 Preference Shares shall be entitled to require the Company to redeem all or some of the Series 1 Preference Shares on 31 December 2010 and thereafter on Quarter Days. Where Series 1 Preference Shares are to be redeemed in accordance with this Article 12.3, the holder of the Series 1 Preference Shares shall give to the Company at least one month's prior notice in writing of the redemption ("**Shareholder Redemption Notice**").
- 12.4 Where a Shareholder Redemption Notice has been duly given, the Company shall be obliged, subject to having sufficient Available Profits with which to redeem the same, to redeem the Series 1 Preference Shares specified in the Shareholder Redemption Notice on the first Quarter Day following receipt of such notice (which day shall be the day fixed for redemption).
- 12.5 If the Company is unable, because of having insufficient Available Profits, to redeem in full, the relevant number of Series 1 Preference Shares on the date fixed for redemption, the Company shall redeem as many of such Series 1 Preference Shares as can lawfully and properly be redeemed and the Company shall redeem the balance as soon as it is lawfully and properly able to do so.
- 12.6 If the Company is at any time redeeming less than all the Preference Shares from time to time in issue, the number of Preference Shares to be redeemed shall be apportioned between those holders of the Preference Shares then in issue and due for redemption pro rata according to the number of Preference Shares held by them respectively at the date fixed for redemption.
- 12.7 On the date fixed for redemption, each of the holders of the Series 1 Preference Shares falling to be redeemed shall be bound to deliver to the Company, at the Company's registered office, the certificate(s) for such Series 1 Preference Shares (or an indemnity, in a form reasonably satisfactory to the Shareholder Board, in respect of any lost certificate) in order that the same

may be cancelled. Upon such delivery, the Company shall pay to the holder (or, in the case of any joint holders, to the holder whose name stands first in the Company's register of Members in respect of such shares) the amount due to it in respect of such redemption against delivery of a proper receipt for the redemption monies.

- 12.8 If any certificate delivered to the Company pursuant to Article 12.7 includes any Series 1 Preference Shares not falling to be redeemed on the date fixed for redemption, a new certificate in respect of those shares shall be issued to the holder(s) thereof as soon as practicable thereafter (and, in any event, within 20 Business Days thereafter).
- 12.9 Holders of Series 1 Preference Shares redeemed on or after:
- 12.9.1 31 December 2011 (but prior to 31.12.2012) will receive a redemption premium of 2% of the nominal value of each Series 1 Preference Share redeemed;
- 12.9.2 31 December 2012 (but prior to 31.12.2013) will receive a redemption premium of 4% of the nominal value of each Series 1 Preference Share redeemed;
- 12.9.3 31 December 2013 will receive a redemption premium of 6% of the nominal value of each Series 1 Preference Share redeemed;
- 12.10 There shall be paid on the redemption of each Series 1 Preference Share an amount equal to:
- 12.10.1 100% of the Issue Price thereof;
- 12.10.2 all accruals and/or unpaid amounts of Cumulative Dividend in respect thereof, calculated down to and including the date of actual payment; and
- 12.10.3 the premiums (if any) due to be paid under Article 12.9 above
- and such aggregate amount shall, subject to the Company having Available Profits or other monies which may be lawfully applied for such redemption, at that time become a debt due from and immediately payable by the Company to the holders of such Series 1 Preference Shares. If and to the extent that the debt so constituted is not paid in full on the due date, the unpaid amount shall carry interest at the Interest Rate in respect of the period from and including the due date down to and including the date of actual payment.
- 12.11 If the Company is unable to pay the amounts referred to in Article 12.10 in full on a date fixed for redemption by reason of having insufficient Available Profits or not having other monies which may be lawfully applied for such redemption, then the amount so unpaid shall instead be increased by an amount equal to the interest which would have accrued had interest on the unpaid amount been charged at the Interest Rate in respect of the period from and including the due date down to and including the date of actual payment and shall be paid as soon thereafter as, and to the extent that, Available Profits or other monies that may lawfully be applied for such redemption have arisen.

#### **TRANSFERS – GENERAL AND PERMITTED TRANSFERS**

- 13.1 The Directors shall not register the transfer of any share or any interest in any share unless the transfer is made in accordance with Articles 13.2, 13.3, 13.4, 13.5, 14.8 or 14.9 and in any case, is not prohibited by Article 13.6. Regulation 24 of Table A shall not apply to the Company;
- 13.2 Any Member may transfer shares for no or nominal consideration to FFF, GLIDE, the GLIDE Foundation and/or the Gripple Foundation and any such transfer shall be registered by the Directors;

- 13.2.1 Subject to the prior consent of the Share Transfer Committee, any transfer of shares may be made by or to GLIDE for a consideration agreed by the Member and GLIDE and any such transfer shall be registered by the Directors;
- 13.3 A member of the Facey Family and/or a member of the Panter Family may at any time transfer (or by will bequeath or otherwise dispose of on death) all or any shares held by him to a member of the Facey Family and/or a member of the Panter Family respectively and any transfer shall be registered by the Directors;
- 13.4 Any Original Member may at any time with the prior consent of the Share Transfer Committee transfer (or by will bequeath or otherwise dispose of on death) all or any Ordinary Shares held by him to a Privileged Relation (or jointly into the joint names of the Original Member and Privileged Relation) and any transfer shall be registered by the Directors;
- 13.5 If a permitted transfer is made under Article 13.4 to a spouse or civil partner of the Original Member ("**the Partner Transferee**") (or jointly to the Original Member and the Partner Transferee), the Partner Transferee shall within 20 days of ceasing to be the spouse or civil partner of the Original Member (whether by reason of divorce, annulment or otherwise) execute and deliver to the Company a transfer of the shares held (or jointly held) by him and shall if the Original Member so requests procure the execution and delivery to the Company of a transfer of any share previously held by him but which he has transferred under the provisions of Articles 13.4 (in each case) to the Original Member or, if so directed by the Original Member, to any other person to whom the Original Member would, had he remained the holder of the shares, have been permitted to transfer the shares pursuant to the provisions of Article 13.4 for such consideration as may be agreed between them, or in default of agreement at the Relevant Sale Price (or, in the case of shares in joint names with the Original Member, 50% of the Relevant Sale Price) determined in accordance with Article 14.2.3, failing which the Share Transfer Committee may resolve that the Partner Transferee (and the Original Member if in his joint name) and any person(s) to whom such shares have been transferred shall be deemed to have given a Transfer Notice on such date as the Share Transfer Committee determines in respect of the relevant shares. If any member defaults in transferring shares pursuant to this Article 13.5, the Share Transfer Committee may receive and give a good discharge for the relevant purchase money and authorise some person to execute the relevant share transfers in favour of the transferee(s) and shall enter the name(s) of the transferee(s) in the Register of Members as the holder of the shares so transferred.

## PROHIBITED TRANSFERS

- 13.6 No transfer may be made or validly registered: -
- 13.6.1 if it is a transfer of Ordinary Share(s) to a person (other than an Uncapped Member) to the extent that as a result of such transfer the Member's Shareholding Percentage for such person would exceed the Cap;
- 13.6.2 if it is a transfer of Ordinary Share(s) to a person other than an Uncapped Member, Special Category Member or an Employee Member or (pursuant to article 13.4) a Privileged Relation;
- 13.6.3 if it is a transfer of Golden Share(s) other than by the first allottee of a Golden Share to GLIDE or FFF;
- 13.6.4 if it is a transfer of Ordinary Share(s) which has previously been transferred by a member of the Facey Family, a member of the Panter Family, Roger Hall or any other Member to GLIDE for no or nominal consideration;

- 13.6.5 if it is a transfer of Non-Tradeable Share(s) other than pursuant to the distribution of assets following the death of the transferor, or retirement of the transferor (or other than to GLIDE, the GLIDE Foundation or the Gripple Foundation);
- 13.6.6 if it is a transfer of Non-Voting Non-Tradeable Share(s) other than to GLIDE or to a transferee approved by the Share Transfer Committee; or
- 13.6.7 if the Share Transfer Committee withholds consent to the transfer.

## **COMPULSORY TRANSFERS**

- 13.7 Unless the Share Transfer Committee resolves otherwise, if during their lifetime an Employee Member ceases to be a Director or Executive Director or employee or consultant of the Company, or any of its subsidiaries or any other GLIDE Member Company and does not continue in that capacity in relation to any of them, Transfer Notices shall be deemed to have been served on the date on which the Employee Member ceases to be Director or Executive Director or consultant or so employed in respect of all shares held by the Employee Member immediately before such cessation and all shares then held by the Employee Member's Privileged Relations and/or Family Trust. If any Member defaults in transferring shares under this Article 13.7, the Share Transfer Committee may authorise some person to execute the relevant share transfers in favour of the transferee(s) and shall enter the name(s) of the transferee(s) in the Register of Members as the holder of the shares so transferred.
- 13.8 If the Share Transfer Committee withholds consent to a transfer under Article 13.4, in circumstances of the death of the Original Member, it shall have the option of deeming that a Transfer Notice has been served following the death of the Original Member in respect of all shares held by the Original Member.
- 13.9 If a Transfer Notice is not served or deemed to have been served during the lifetime of a Special Category Member or an Original Member, the Share Transfer Committee shall have the option of deeming that a Transfer Notice has been served following the death of the Special Category Member or the Original Member in respect of all shares held by the Special Category Member or the Original Member.
- 13.10 A Privileged Relation Member shall transfer shares at the option of the Share Transfer Committee. Transfer Notices shall be deemed to have been served on the date the Share Transfer Committee deems the transfer date in respect of all shares held by the Privileged Relation Member. If a Privileged Relation Member defaults in transferring shares under this Article 13.10, the Share Transfer Committee may authorise some person to execute the relevant share transfers in favour of the transferee(s) and shall enter the name(s) of the transferee(s) in the Register of Members as the holder of the shares so transferred.
- 13.11 If a Transfer Notice is not served or deemed to have been served during the lifetime of the Privileged Relation Member, the Share Transfer Committee shall have the option of deeming that a Transfer Notice has been served following the death of the Privileged Relation Member in respect of all shares held by the Privileged Relation Member.
- 13.12 An Original Member may at any time with the prior consent of the Share Transfer Committee by will bequeath or otherwise dispose of on death all or any Non-Tradeable Shares held by him except that, in circumstances of the death of the Original Member, the Share Transfer Committee shall have the option of deeming that a Transfer Notice has been served following the death of the Original Member in respect of all Non-Tradeable Shares held by the Original Member.

- 13.13 If a Special Category Member ceases to be an employee or director of a joint venture company of the Company or any other GLIDE business or ceases to be a supplier or customer (including ceasing to be a director or employee of the supplier or customer) or investor of the Company or any other GLIDE business or is deemed at the discretion of the Directors to no longer benefit the Company, Transfer Notices shall be deemed to have been served on the date on which the Special Category Member ceases to be an employee or director of a joint venture company of the Company or ceases to be a supplier or customer of the Company (or ceases to be a director or employee of the supplier or customer) or the investor is no longer deemed at the discretion of the Directors to benefit the Company, in respect of all shares held by the Special Category Member immediately before such cessation.
- 13.14 A **"Compulsory Transfer Event"** shall be deemed to have occurred in relation to the holder of Non-Voting Non-Tradeable Shares if that Shareholder:
- 13.14.1 goes into liquidation whether compulsory or voluntary (except for the purposes of a bona fide reconstruction or amalgamation into an organisation with the same objects as the Shareholder or into a public sector body), has an administrator appointed or if a receiver, administrative receiver or manager is appointed over all or a material part of its assets or undertaking;
  - 13.14.2 ceases to carry on business or is or becomes insolvent or is or is deemed to be unable to pay its debts as they fall due within the meaning of section 123 of the Insolvency Act 1986;
  - 13.14.3 enters into any composition or arrangement with its creditors generally or a moratorium is declared in respect of its indebtedness or any creditor action;
  - 13.14.4 is affected in any way in any jurisdiction other than England and Wales by anything equivalent to any of the things referred to in Articles 13.14.1 to 13.14.3; or
  - 13.14.5 where such Shareholder was registered as a charity at the time that it became a Shareholder, (i) ceases to be registered as a charity with the Charity Commission except where the Shareholder has been amalgamated into a public sector body; or (ii) changes the objects or purpose of its operation as set out in its governing documents.
- 13.15 If a Compulsory Transfer Event occurs in relation to a Shareholder, then that Shareholder shall be deemed to be a **"Defaulting Shareholder"** in respect of any Non-Voting Non-Tradeable Shares held by that Shareholder, but not in respect of Shares of any other class held by that Shareholder.
- 13.16 The Company or GLIDE (the **"Notifying Company"**) may, at any time, serve written notice (a Default Transfer Notice) on the Defaulting Shareholder and the Company (where the Default Transfer Notice has been served by GLIDE) identifying the Compulsory Transfer Event. Upon service of such Default Transfer Notice, the Defaulting Shareholder shall be deemed to have given the Company irrevocable notice offering to transfer all of the Shares held by it (Compulsory Transfer Shares) to the Notifying Company in accordance with Article 13.17.
- 13.17 The Notifying Company shall be entitled, within 2 Business Days of service of the Default Transfer Notice, to require the Defaulting Shareholder to sell all of the Compulsory Transfer Shares to the Notifying Company, for an aggregate price of £1 for all Non-Voting Non-Tradeable Shares held by the Defaulting Shareholder, at which time the Non-Defaulting Shareholder will be bound to buy and the Defaulting Shareholder will be bound to sell all of the Compulsory Transfer Shares on such terms.
- 13.18 If the Defaulting Shareholder defaults in transferring any of the Compulsory Transfer Shares pursuant to Article 13.17, the Company:
- 13.18.1 may receive the relevant purchase money;

13.18.2 may nominate the Share Transfer Committee to execute an instrument of transfer of the Compulsory Transfer Shares in the name and on behalf of the Defaulting Shareholder;

13.18.3 shall cause the name of the Notifying Company to be entered in the register of members as the holder of such Compulsory Transfer Shares when the instrument of transfer has been duly executed, and where the Company itself is the Notifying Company it may cancel or hold in treasury such Compulsory Transfer Shares at its option; and

13.18.4 shall hold the purchase money on trust for the Defaulting Shareholder, the receipt of the Company for the purchase money being a good discharge to the Notifying Company (who shall not be bound to see to the application of the purchase money).

## PRE-EMPTION RIGHTS

14.1 Save as permitted by Articles 13.2, 13.3, 13.4 and 13.5 and so long as not prohibited by Article 13.6 every Member who desires to transfer any shares (hereinafter called "**the Vendor**") shall give to the Share Transfer Committee notice in writing of such desire (in these Articles called a "**Transfer Notice**"). Where the Transfer Notice is deemed to have been given under Article 13.5, 13.7, 13.8, 13.9, 13.10, 13.11, 13.12 or 13.13 it is referred to as a Deemed Transfer Notice. Transfer Notices and Deemed Transfer Notices shall constitute the Share Transfer Committee the Vendor's agent for the sale of the shares specified therein (hereinafter called "**the Sale Shares**") in one or more lots at the discretion of the Share Transfer Committee at the Sale Price.

14.2 In this Article,

14.2.1 the expressions

14.2.1.1 "**Relevant Period**" shall mean the period starting at the close of an Accounting Quarter of the Company and ending at the close of the next succeeding Accounting Quarter of the Company.

14.2.1.2 "**Accounting Quarter**" shall mean one of four quarters in each financial year as set by the Directors from time to time.

14.2.2 the expression "**Sale Price**" shall mean a price for each share and: -

14.2.2.1 where the Vendor is (prior to the transfer of the shares in question) an Employee Member, or Privileged Relation of the Employee Member and on the date on which the relevant Transfer Notice is given or (as the case may be) the Deemed Transfer Notice is deemed to be given, the relevant Employee Member has been continuously engaged with the Company or any subsidiary of the Company as a Director and/or Executive Director and/or employee and/or consultant for the period of less than two years "**Sale Price**" for an Ordinary Share or a Non-Tradeable Share shall be the lesser of:-

(a) the Relevant Sale Price for the time being; and

(b) the price per Share comprised in the Transfer Notice or the Deemed Transfer Notice at which the Employee Member acquired such shares (it being possible for shares so comprised to have differing prices) whether such acquisition was by way of purchase or allotment;

- 14.2.2.2 for a Preference Share, "Sale Price" means the price at which the holder acquired such Preference Share whether by purchase or allotment;
- 14.2.2.3 for an Ordinary Share or a Non-Tradeable Share not falling within Article 14.2.2.1 above, "Sale Price" shall be the Relevant Sale Price for the time being.
- 14.2.3 the expression "**Relevant Sale Price**" shall mean a sum fixed for each Relevant Period pursuant to the following provisions of this Article 14 and the Relevant Sale Price so fixed shall apply (subject to Article 14.2.2.1) in respect of any Transfer Notice or Deemed Transfer Notice given or deemed to be given in respect of Ordinary Shares or Non-Tradeable Shares on any day falling within the next Accounting Quarter after the Relevant Period in question.
- 14.2.4 the Relevant Sale Price for each Relevant Period shall be determined by the Share Transfer Committee and shall be announced by the Directors no more than 30 days after the last day of the Relevant Period and shall be determined as follows: -
- 14.2.4.1 such Relevant Sale Price shall be a sum for each Ordinary Share or Non-Tradeable Share equal to Thirty (30) times the cumulative dividend declared in respect of each Ordinary Share or Non-Tradeable Share in respect of the Accounting Quarter of the Relevant Period, the three previous Accounting Quarters and the financial year end final dividend if such final dividend is declared in the Accounting Quarter of the Relevant Period or the three previous Accounting Quarters as determined from the financial statements of the Company.
- 14.2.4.2 provided further that:
- a) if the Share Transfer Committee considers in its absolute discretion that for the purposes of calculating the Relevant Sale Price the cumulative dividend referred to at 14.2.4.1 is such that the Relevant Sale Price would not reflect the true trading position of the Company, the Share Transfer Committee may decide that in its absolute discretion the Relevant Sale Price for the Relevant Period in question shall be determined by the Directors as being a fair value thereof, without reference to any contractual rights that any party has in relation to shareholdings in the Company other than as contained in these Articles of Association. In arriving at their opinion, the Directors will value shares on a going concern basis as between a willing seller and a willing buyer ignoring any reduction in value which may be ascribed to any shares by virtue of the fact that they represent a minority interest and on the assumption that shares are capable of transfer without restriction. The decision of the Directors as to the Sale Price in these circumstances shall be final and binding; or
- b.) if the Directors do not declare a Quarterly Dividend under Article 8.1.2.2, the Directors may also suspend the calculation of the Relevant Sale Price as set out under Article 14.2.4.1 and may declare such alternative Relevant Sale Price as the Directors deem fit.
- 14.2.4.3 following the determination of the Relevant Sale Price by the Directors under Article 14.2.4.2 a) or the suspension of the calculation of the

Relevant Sale Price under Article 14.2.4.2 b) the Directors may resume the calculation of the Relevant Sale Price based on the cumulative dividend declared in such Accounting Quarters as they see fit and at their absolute discretion.

14.2.4.4 a member may request the auditor to review the Relevant Sale Price declared by the Directors and report on whether it was calculated fairly.

- 14.3 A Transfer Notice (but not a Deemed Transfer Notice) may contain a condition ("**a Total Transfer Condition**") that unless all the shares comprised therein are sold by the Share Transfer Committee pursuant to this Article none shall be sold. Any such provision shall be binding on the Company.
- 14.4 The Sale Shares shall be offered for sale as set out in this Article 14. All offers made by the Share Transfer Committee shall give details of the number and Sale Price of Sale Shares.
- 14.5 As soon as Sale Shares become available, they shall be forthwith offered for sale by the Company to holders of Ordinary Shares (other than the Vendor or Privileged Relation Members). Any offer made by the Company under this Article may be made to such holders of Ordinary Shares (other than the Vendor or Privileged Relation Members) and in such proportions and to remain open for such period and the Sale Shares shall be allocated as the Share Transfer Committee in its absolute discretion determines.
- 14.6 If there are any Sale Shares offered which are not thereby allocated and unless GLIDE (being then a holder of Ordinary Shares) has received an earlier offer the Share Transfer Committee shall offer such shares to GLIDE. This offer will remain open for such period as the Share Transfer Committee in its absolute discretion determines.
- 14.7 If there are any Sale Shares offered which are not thereby allocated the Share Transfer Committee shall offer such shares to the Company. This offer will remain open for such period as the Share Transfer Committee in its absolute discretion determines.
- 14.8 If the Share Transfer Committee finds a purchaser for all or (in the absence of an applicable Total Transfer Condition) any of the Sale Shares under the terms of this Article the Vendor shall be bound upon receipt of the Sale Price to transfer the Sale Shares (or such of the same for which the Share Transfer Committee shall have found a purchaser or purchasers) to such persons. If the Vendor defaults in transferring Sale Shares the Share Transfer Committee shall if so required by the person or persons willing to purchase such Sale Shares receive and give a good discharge for the purchase money on behalf of the Vendor and shall authorise some person to execute transfers of the Sale Shares in favour of the purchasers and shall enter the names of the purchasers in the Register of Members as the holder of such of the Sale Shares as shall have been transferred to them.
- 14.9 If the Share Transfer Committee does not find purchasers for all of the Sale Shares under the terms of this Article the Vendor shall at any time within six months after the final offer by the Share Transfer Committee to Members or, if later, to GLIDE or the Company be free subject to Article 13.4 to sell and transfer such of the Sale Shares as have not been so sold to any person at a price which is no less than the Sale Price. If the Sale Shares were the subject of a Total Transfer Condition such a sale may only be made of all the Sale Shares and not part only.
- 14.10 Any purported transfer of shares otherwise than in accordance with the provisions of these Articles shall be void and have no effect.
- 14.11 Preference Shares, Golden Shares, Non-Tradeable Shares or Non-Voting Non-Tradeable Shares shall not be entitled to be traded in any offer of Sale Shares under this Article 14.

## NOTICE OF GENERAL MEETING



15. Subject to the provisions of Section 307 of the 2006 Act permitting agreement to shorter notice, general meetings shall be called by at least 14 clear days' notice. The agreement of any one of the joint holders of a share to shorter notice shall be deemed the agreement of all of them in respect of that share. The notice shall specify the time and place of the meeting and, in the case of special business, the general nature of the business to be transacted. In the case of an annual general meeting the notice shall specify the meeting as such. Subject to the provisions of these Articles and to any restrictions imposed on any shares, the notice shall be given to all Members and to the auditors, but omission to give notice to the auditors shall not invalidate the proceedings at the meeting. Regulation 38 of Table A shall not apply.

## **CLASS RIGHTS**

- 16.1 Section 334 of the 2006 Act shall be deemed to apply to all meetings of the holders of any class of shares as it applies to meetings of shareholders in connection with the variation of rights attached to a class of shares.
- 16.2 The Company may not do any of the following without a resolution passed by the holders of 100% of the issued Golden Shares at a separate class meeting of such holders or by written class consent of the holders of 100% of the issued Golden Shares: -
- 16.2.1 alter its articles of association;
  - 16.2.2 alter its issued share capital or any rights attached to its capital (including by subdivision, consolidation, or reclassification) otherwise than in accordance with Article 5;
  - 16.2.3 create or issue or agree to issue any shares or other securities in its capital other than Ordinary Shares, Non-Tradeable Shares, Preference Shares and Golden Shares up to the maximum numbers respectively provided for in Article 5.2;
  - 16.2.4 acquire any shares or other securities or any interest in any body corporate or any business if the value of such shares, securities, interest, or business exceeds the Value Threshold;
  - 16.2.5 transfer the legal or beneficial interest in any shares in the Company if as a result of such sale or transfer and registration thereof a Controlling Interest would be obtained by a person or persons;
  - 16.2.6 register the transfer of any shares or other securities in its capital otherwise than in accordance with these Articles;
  - 16.2.7 reduce its issued share capital;
  - 16.2.8 approve any winding up;
  - 16.2.9 dispose of any of its subsidiaries;
  - 16.2.10 appoint or remove a managing Director, chairman or chief executive officer or vary the remuneration of any such person;
  - 16.2.11 permit any of its subsidiaries to do anything within Articles 16.2.1 to 16.2.4 (inclusive) or 16.2.6 to 16.2.10 (inclusive).
- 16.3 The special rights attaching to the Golden Shares may only be varied or abrogated with the consent of the holders of 100% of the issued Golden Shares.
- 16.4 For so long as GLIDE is a holder of a Golden Share it may by written notice to the Company: -
- 16.4.1 appoint up to two non-executive Directors to the Shareholder Board;

- 16.4.2 in the case of any person so appointed pursuant to Article 16.4.1, remove from office such person;
- 16.4.3 in the case of any person removed pursuant to Article 16.4.2, appoint someone in their place.
- Any individual appointed to the Shareholder Board pursuant to Articles 16.4.1 or 16.4.3 may only sit on the Shareholder Board for a maximum period of five years (if the individual is the GLIDE Chairman) or three years (for any other individual) at which stage GLIDE shall reappoint or remove such individual from the Shareholder Board pursuant to Article 16.4.2 and appoint someone in their place pursuant to Article 16.4.3.
- 16.5 For so long as FFF is a holder of a Golden Share it may by written notice to the Company:-
- 16.5.1 appoint a non-executive Director to the Shareholder Board;
- 16.5.2 in the case of any person so appointed pursuant to Article 16.5.1, remove from office such person;
- 16.5.3 in the case of any person removed pursuant to Article 16.5.2, appoint someone in their place.
- 16.6 For so long as GLIDE is a holder of a Golden Share it may by written notice to the Company require the managing Director of the Company to attend at and report to a meeting of the Directors of GLIDE in order to enable GLIDE to review, monitor and encourage the performance of the Company and, in particular, to achieve the Turnover Growth Aim. The managing Director may make full disclosure of the business and affairs of the Company and its subsidiaries to the Directors of GLIDE.
- 16.7 Any holder of Ordinary Shares shall be entitled, by notice in writing to the Company ("**Non-Tradeable Conversion Notice**"), to apply for conversion into Non-Tradeable Shares of any or all of the fully paid Non-Tradeable Shares held by them (the "**Nominated Shares**"), provided that the holder may in the Non-Tradeable Conversion Notice, state that conversion of the Nominated Shares into Non-Tradeable Shares is conditional upon the occurrence of one or more events (the "**Conditions**"). Subject to the fulfilment of any Conditions, the Nominated Shares shall automatically convert into Non-Tradeable Shares on the passing of an ordinary resolution of the members of the Company whereupon the Nominated Shares shall be subject to the rights and restrictions of the Non-Tradeable Shares as set out in these Articles.
- 16.8 Subject to the prior written consent of the Share Transfer Committee, any holder of Ordinary Shares shall be entitled, by notice in writing to the Company ("**Ordinary Non-Tradeable Conversion Notice**"), to apply for conversion into Non-Tradeable Shares of any or all of the fully paid Ordinary Shares held by them up to a maximum number of five hundred thousand (the "**Nominated Shares**"). provided that the holder may in the Ordinary Non-Tradeable Conversion Notice, state that conversion of the Nominated Shares into Non-Tradeable Shares is conditional upon the occurrence of one or more events (the "**Conditions**"). Subject to the fulfilment of any Conditions, the Nominated Shares shall automatically convert into Non-Tradeable Shares on the fifth Business Day following the date on which the Ordinary Non-Tradeable Conversion Notice was served, whereupon the Nominated Shares shall be subject to the rights and restrictions of the Non-Tradeable Shares as set out in these Articles. The holder of such Nominated Shares shall require the approval of the Company by the passing of an ordinary resolution of the members of the Company for the conversion to Non-Tradeable Shares of any Ordinary Shares in addition to the maximum number set out in this Article.
- 16.9 Subject to the prior written consent of the Share Transfer Committee, any holder of Ordinary Shares shall be entitled, by notice in writing to the Company ("**Non-Voting Conversion Notice**"), to apply for conversion into Non-Voting Non-Tradeable Shares of any or all of the fully paid Ordinary Shares held by them up to a maximum number of one million (the "**Nominated Shares**"), provided that the holder may in the Non-Voting Conversion Notice, state that

conversion of the Nominated Shares into Non-Voting Non-Tradeable Shares is conditional upon the occurrence of one or more events (the “**Conditions**”). Subject to the fulfilment of any Conditions, the Nominated Shares shall automatically convert into Non-Voting Non-Tradeable Shares on the fifth Business Day following the date on which the Non-Voting Conversion Notice was served, whereupon the Nominated Shares shall be subject to the rights and restrictions of the Non-Voting Non-Tradeable Shares as set out in these Articles. The holder of such Nominated Shares shall require the approval of the Company by the passing of an ordinary resolution of the members of the Company for the conversion to Non-Voting Non-Tradeable Shares of any Ordinary Shares in addition to the maximum number set out in this Article.

#### **PROCEEDINGS AT GENERAL MEETINGS**

17. Regulation 41 of Table A shall apply subject to the addition of the following sentence: -

“If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be dissolved.”

18. In the case of joint holders of a share, the joint holder whose name stands first in the register of Members in respect of the joint holding may sign on behalf of all the joint holders of that share any resolution in writing which is proposed to take effect as if it were a resolution of the Members or of any class of the Members and may receive on behalf of all the joint holders of that share any document which is required to be supplied to the joint holders in connection with that resolution.

#### **VOTES FOR MEMBERS**

19. Regulation 62 of Table A shall apply subject to the addition at the end of paragraph (c) of the word “or” and the following paragraph (d):-

“(d) be delivered at any time before the commencement of the proceedings to any Director or to the secretary at the place appointed for the holding of the meeting or adjourned meeting or the taking of the poll;”

#### **NUMBER OF DIRECTORS**

20. Unless otherwise determined by ordinary resolution the minimum number of Directors shall be four. The quorum for the transaction of the business of the Directors shall be four; but if the number of Directors is less than any minimum number of Directors fixed by or in accordance with these Articles, the continuing Director or Directors may act only for the purpose of appointing Directors or of calling a general meeting. Regulations 64 and 89 of Table A shall be modified accordingly and Regulation 90 of Table A shall not apply.

#### **POWERS OF DIRECTORS**

- 21.1 The Directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under the Articles) and upon such conditions as they may think fit, and may also authorise any such agent to delegate all or any of the powers, authorities and discretions vested in or exercisable by him. The Directors may revoke or alter any such appointment but no person dealing in good faith and without notice of any such revocation or alteration shall be affected by it. Regulation 71 of Table A shall not apply.
- 21.2 The Directors have no power to and the Company shall not: -
- 21.2.1 make any public offering;

- 21.2.2 dispose of or cease to carry on its business or a material part of such business other than (subject to obtaining a resolution or consent under Article 16.2.8) by winding-up and for these purposes a "material part" means a part having a value which exceeds the Value Threshold;
- 21.2.3 make any bonus issue of shares other than out of a share premium account or revaluation or capital redemption reserve.

#### **SHARE TRANSFER COMMITTEE**

- 22.1 All the Directors' powers to allot shares and in relation to the transfer of shares shall be delegated to a committee of Directors to be known as the **"Share Transfer Committee"**.
- 22.2 The committee shall consist of up to six persons each of whom shall be a Director or the secretary and being: -
  - 22.2.1 the chairman;
  - 22.2.2 the secretary;
  - 22.2.3 Roger Hall;
  - 22.2.4 for so long as GLIDE is a holder of a Golden Share, up to 2 Directors nominated by GLIDE;
  - 22.2.5 for so long as FFF is a holder of a Golden Share, up to 1 Director nominated by FFF
- 22.3 Committee members shall be nominated by GLIDE or FFF by written notice to the Company. Committee members so nominated may be removed in like manner.
- 22.4 The quorum for the transaction of business of the committee shall be two committee members or their alternates.

#### **CONSTITUTION OF THE SHAREHOLDER BOARD, APPOINTMENT AND RETIREMENT OF DIRECTORS**

- 23. The Directors shall not be required to retire by rotation.
- 24. The Shareholder Board shall comprise the following Directors: -
  - 24.1 a chairman who shall be appointed by the Members for a period determined by the Members but to be no greater than five years and no less than three years. The chairman holding office immediately prior to the amendment of these Articles shall be deemed for all purposes to have been appointed pursuant to this Article until the next annual general meeting after the expiry of the period of four years after the date of amendment of these Articles; on expiry of any such period, the chairman may be reappointed;
  - 24.2 a vice chairman who shall be appointed by the Members for a period determined by the Members but to be no greater than five years and no less than three years; on expiry of any such period, the vice chairman may be re-appointed;
  - 24.3 a managing Director who shall be appointed by the Members for a period determined by the Members but to be no greater than five years and no less than three years; on expiry of any such period, the managing Director may be reappointed;
  - 24.4 at least two non-executive Directors who shall be appointed by the Members for a period determined by the Members but to be no greater than five years and no less than three years.

The non-executive Directors holding office immediately prior to the amendment of these Articles (if any) shall be deemed for all purposes to have been appointed pursuant to this Article until the next annual general meeting after the expiry of the period of four years after the date of amendment of these Articles; on expiry of any such period, any non-executive Director may be reappointed;

- 24.5 up to three Executive Directors (in addition to the managing Director) who shall be appointed by the Members for a period determined by the Members but to be no greater than five years and no less than three years; provided that if such Executive Directors and the managing Director together would represent a majority of the Shareholder Board, the Members may only appoint a lower number of Executive Directors such that they and the managing Director together do not represent a majority of the Shareholder Board; on expiry of any such period, any Executive Director may be reappointed (so long as his reappointment would not cause the Executive Directors and the managing Director together to represent a majority of the Shareholder Board);
- 24.6 up to two GLIDE Directors appointed in accordance with Article 16.4; and
- 24.7 up to one FFF Director appointed in accordance with Article 16.5.
- 25. The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with the Articles as the maximum number of Directors. A Director so appointed shall retire at the next annual general meeting.
- 26. Provided that he has disclosed the nature and extent of any material interest of his, a Director shall be entitled to vote on any resolution in respect of any transaction or arrangement in which he has an interest and shall be counted in the quorum present at a meeting in relation to any such resolution. Regulations 94 to 96 (inclusive) of Table A shall not apply.

#### **REMUNERATION OF DIRECTORS**

- 27. The ordinary remuneration of the Directors shall be such amount as the Directors shall from time to time determine or such other amount as the Company may from time to time by ordinary resolution determine, to be divided among them in such proportion and manner as the Directors may determine, or, failing agreement, equally. Subject as aforesaid, a Director holding office for part only of a year shall be entitled to a proportionate part of a full year's remuneration. Regulation 82 of Table A shall not apply.

#### **CONSTITUTION OF THE EXECUTIVE BOARD, APPOINTMENT AND REMOVAL OF EXECUTIVE DIRECTORS**

- 28.1 Each Director of the management board holding office immediately prior to the amendment of these Articles shall be deemed for all purposes to have been appointed an Executive Director.
- 28.2 Subject to Article 28.3, the Executive Board has delegated day to day management powers and the power to appoint and remove Executive Directors.
- 28.3 The Executive Board is responsible to the Shareholder Board which may appoint and remove Executive Directors and enhance or limit the powers of the Executive Board.
- 28.4 The quorum for the transaction of business of the Executive Board shall be five Executive Directors or their alternates. The proceedings of the Executive Board shall be governed by the Articles regulating the proceedings of Directors so far as they are capable of applying.

#### **DIRECTORS' CONFLICT OF INTERESTS**

- 29.1 For the purposes of this Article 29, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.
- 29.2 The Directors may, in accordance with the requirements set out in this Article 29, authorise any matter proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under section 175 of CA 2006 to avoid conflicts of interest (such matter being hereinafter referred to as a “**Conflict**”).
- 29.3 A Director seeking authorisation in respect of a Conflict shall declare to the other Directors the nature and extent of his interest in a Conflict as soon as is reasonably practicable. The Director shall provide the other Directors with such details of the relevant matter as are necessary for the other Directors to decide how to address the Conflict, together with such other information as may be requested by the other Directors.
- 29.4 Any authorisation under this Article 29 will be effective only if:
- 29.4.1 the matter in question shall have been proposed by any Director for consideration at a meeting of Directors in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;
- 29.4.2 any requirement as to the quorum at any meeting of the Directors at which the matter is considered is met without counting the Director in question and any other conflicted Director(s); and
- 29.4.3 the matter was agreed to without the Director and any other conflicted Director(s) voting or would have been agreed to if their votes had not been counted.
- 29.5 Any authorisation of a Conflict under this Article 29 may (whether at the time of giving the authorisation or subsequently):
- 29.5.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the Conflict so authorised;
- 29.5.2 be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine; or
- 29.5.3 be terminated or varied by the Directors at any time.
- This will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.
- 29.6 In authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person the Director is under no obligation to:
- 29.6.1 disclose such information to the Directors or to any Director or other officer or employee of the Company; or
- 29.6.2 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.
- 29.7 Where the Directors authorise a Conflict they may provide, without limitation (whether at the time of giving the authorisation or subsequently) that the Director:
- 29.7.1 is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;

- 29.7.2 is not given any documents or other information relating to the Conflict;
- 29.7.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of Directors in relation to any resolution relating to the Conflict.
- 29.8 Where the Directors authorise a Conflict:
- 29.8.1 the Director will be obliged to conduct himself in accordance with any terms, limits and/or conditions imposed by the Directors in relation to the Conflict;
- 29.8.2 the Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of CA 2006 provided he acts in accordance with such terms, limits and/or conditions (if any) as the Directors impose in respect of its authorisation.
- 29.9 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 receives as Director or other officer or employee of the Company's subsidiaries or of any other body corporate in which the Company is interested or which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of CA 2006.
- 29.10 Subject to the applicable provisions for the time being of the Companies Acts and to any terms, limits and/or conditions imposed by the Directors in accordance with Article 29.5.2, and provided that he has disclosed to the Directors the nature and extent of any interest of his in accordance with the Companies Acts, a Director notwithstanding his office:
- 29.10.1 may be a party to, or otherwise interested in, any contract, transaction, or arrangement with the Company or in which the Company is otherwise interested;
- 29.10.2 shall be counted as participating for voting and quorum purposes in any decision in connection with any proposed or existing transaction or arrangement with the Company, in which he is in any way directly or indirectly interested;
- 29.10.3 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;
- 29.10.4 may be a Director or other officer of, or employed by, or a party to any contract, transaction, or arrangement with, or otherwise interested in, anybody corporate promoted by the Company or in which the Company is otherwise interested; and
- 29.10.5 shall not, by reason of his office, be accountable to the Company for any benefit which he (or anyone connected with him (as defined in section 252 of CA 2006) derives from any such office or employment or from any such contract, transaction or arrangement or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit, nor shall the receipt of any such remuneration or benefit constitute a breach of his duty under section 176 of CA 2006.
- 29.11 A Director may, at any time, be a Director or other officer of, or employed or otherwise engaged by, the member or members who appointed him as a Director or any company in such member's group (as defined in section 421 of FSMA), and no authorisation under this Article 29 shall be required in that regard. A Director shall not be a conflicted Director in consequence of holding any such position.

- 29.12 For the purposes of this Article, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting or a written resolution of the Directors.
- 29.13 Regulation 94 of Table A shall not apply.

### **INDEMNITY**

30. Subject to and so far as may be permitted by the Acts, but without prejudice to any indemnity to which any person concerned may otherwise be entitled, the Directors, alternate Directors, auditors, secretary and other officers for the time being of the Company shall be indemnified out of the assets of the Company against any costs, charges, losses, expenses and liabilities incurred by them in the execution and discharge of their duties, including all liability incurred by them as such in defending any proceedings, whether civil or criminal, in which judgment is given in their favour, or in which they are acquitted or in connection with any application under the Acts in which relief is granted to them by the Court. Regulation 118 of Table A shall not apply.

### **CHARITABLE DONATION**

- 31.1 The Company shall as soon as reasonably practicable after the start of each financial year pledge an aggregate amount equal to 1% of the Company's and its subsidiaries total budgeted pre-tax net profit for that financial year or £100,000 whichever is greater to be distributed to good and charitable causes ("**Annual Donation**")
- 31.2 In the first year of the adoption of these Articles all or any of the Annual Donation may be transferred to the Gripple Foundation as the Company's agent for the distribution of funds on behalf of the Company to good and charitable causes selected by the Gripple Foundation. On each subsequent year following the adoption of these Articles all of the Annual Donation shall be transferred to the Gripple Foundation as the Company's agent for the distribution of funds on behalf of the Company to good and charitable causes selected by the Gripple Foundation.