

**Company Number: 02178083**

---

**ARTICLES OF ASSOCIATION  
of  
ACTIVE SOLUTIONS LIMITED**

**(Adopted by Written Resolution dated 27 March 2020)**

---

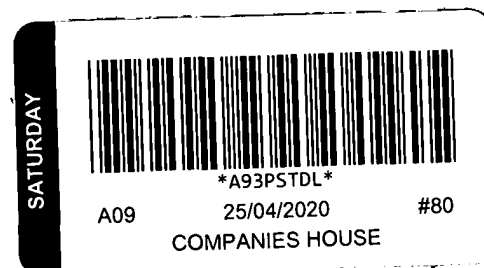


**FIELDEN MARSHALL GLOVER STRUTT**

1 Middle Street, Lancaster, Lancashire LA1 1JZ

📞 0844 8011422  
📞 +44 (0)1524 61660  
📞 +44 (0)1524 298932

✉ enquiries@fmgs.co.uk  
🌐 www.fmgs.co.uk



**Company Number: 02178083**

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**ACTIVE SOLUTIONS LIMITED**  
**(Adopted by Written Resolution dated 27 March 2020)**

**AGREED TERMS**

**1. INTERPRETATION**

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

**Acceptance Period:** has the meaning given in article 16.5;

**Act:** the Companies Act 2006;

**Allocated Person:** has the meaning given in article 16.8;

**Appointor:** has the meaning given in article 11.1;

**Articles:** the Company's articles of association for the time being in force;

**A Shares:** the A Ordinary Shares of £1.00 each in the capital of the Company;

**B Shares:** the B Ordinary Shares of £1.00 each in the capital of the Company;

**Business Day:** a day other than a Saturday, Sunday or public holiday in England when banks in the City of London are open for business;

**Company:** Active Solutions Limited;

**Conflict:** a situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company;

**C Shares:** the C Ordinary Shares of £1.00 each in the capital of the Company;

**Eligible Director:** a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter);

**Eligible Shareholder:** those shareholders holding Shares at the time of service of a Transfer Notice or deemed Transfer Notice (other than the Seller);

**Excess Securities:** has the meaning given in article 14.2;

**Expert:** the auditors or accountants for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the Seller and the directors of the Company or, in the absence of agreement between them on the identity of the expert within 10 Business Days of one serving upon the other details of a suggested expert, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants in England and Wales (in each case acting as an expert and not as an arbitrator);

**Interested Director:** has the meaning given in article 8.1;

**Model Articles:** the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (*SI 2008/3229*) as amended prior to the date of adoption of these Articles and reference

**Ordinary Shares or Shares:** the A Shares, the B Shares and the C Shares in issue in the capital of the Company from time to time;

**Proposed Sale Price:** has the meaning given in article 16.2;

**Proposed Transferee:** has the meaning given in article 16.2;

**Sale Notice:** has the meaning given in article 16.8;

**Sale Shares:** has the meaning given in article 16.2;

**Sale Price:** has the meaning given in article 16.4;

**Seller:** has the meaning given in article 16.1;

**Total Sale Condition:** has the meaning given in article 16.2;

**Transfer Notice:** has the meaning given in article 16.1;

**Transfer Offer Notice:** has the meaning given in article 16.5;

**writing or written:** the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise;

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have those meanings in these Articles but excluding any statutory modification of them not in force on the date when these Articles become binding on the Company.

- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as amended, extended or re-enacted from time to time.
- 1.6 Any words following the terms **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.7 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.

## **2. ADOPTION OF THE MODEL ARTICLES**

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 2.2 Model Articles 6(2), 7, 8, 11 to 14 (inclusive), 16, 17, 26(5), 38, 44(2), 52 and 53 shall not apply to the Company.
- 2.3 Model Article 20 shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".
- 2.4 Model Articles 31(1)(a) to (c) (inclusive) shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Model Article 31(d) shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".

## **DIRECTORS**

### **3. DIRECTORS' MEETINGS**

- 3.1 Any decision of the directors must be taken at a meeting of directors in accordance with these Articles or must be a decision taken in accordance with article 4.
- 3.2 Subject as provided in these Articles, the directors may participate in directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.

- 3.3 All decisions made at any meeting of the directors or of any committee of the directors shall be made only by resolution and resolutions at any meeting of the directors or committee of the directors shall be decided by a majority of votes.
- 3.4 If at any time before or at any meeting of the directors or of any committee of the directors all directors participating should request that the meeting be adjourned or reconvened to another time or date (whether to enable further consideration to be given to any matter or for other directors to participate or for any other reason, which need not be stated) then such meeting shall be adjourned or reconvened accordingly, and no business shall be conducted at that meeting after such a request has been made. No meeting of directors may be adjourned pursuant to this article more than once.
- 3.5 A committee of the directors must include at least two directors. The provisions of article 6 shall apply equally to meetings of any committee of the directors as to meetings of the directors.

#### **4. UNANIMOUS DECISIONS OF DIRECTORS**

- 4.1 A decision of the directors is taken in accordance with this article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 4.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 4.3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at a directors' meeting to vote on the matter in accordance with article 6.

#### **5. NUMBER OF DIRECTORS**

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than two. No shareholding qualification for directors shall be required.

#### **6. QUORUM FOR DIRECTORS' MEETINGS**

- 6.1 Subject to articles 6.4 and 6.5, the quorum at any meeting of the directors (including adjourned meetings) shall be two Eligible Directors.
- 6.2 No business shall be conducted at any meeting of the directors unless a quorum is present at the beginning of the meeting and also when that business is voted on.
- 6.3 If a quorum is not present within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for 5 Business Days at the same time and place. If a quorum is not present at any such adjourned meeting within 30 minutes of the time specified, then those Eligible Directors present will constitute a quorum.

- 6.4 For the purpose of any meeting (or part of a meeting) held pursuant to article 8 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.
- 6.5 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision:
- (a) to appoint further directors; or
  - (b) to call a general meeting so as to enable the shareholders to appoint further director(s).

## **7. CHAIRING OF DIRECTORS' MEETINGS**

The chairman shall be appointed by the board of directors from amongst their number. The chairman shall not have a casting vote. If the chairman for the time being is unable to attend any meeting of the board of directors, the directors present shall be entitled to appoint another of its nominated directors to act as chairman at the meeting.

## **8. DIRECTORS' INTERESTS**

- 8.1 The directors may, in accordance with the requirements set out in this article, authorise any Conflict proposed to them by any director which would, if not so authorised, involve a director (the **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest.
- 8.2 Any authorisation under this article will be effective only if:
- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
  - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
  - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 8.3 Any authorisation of a Conflict under this article may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
  - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;

- (c) provide that the Interested Director will or will not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
  - (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
  - (e) 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
  - (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 8.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 8.5 The directors 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.
- 8.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 8.7 Subject to sections 177(5) and 177(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the Act.
- 8.8 Subject to sections 182(5) and 182(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under article 8.7.
- 8.9 Subject, where applicable, to any terms and conditions imposed by the directors in accordance with article 8.3, and provided a director 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:

- (a) may be a party to, or otherwise interested in, any such transaction or arrangement with the Company, or in which the Company is otherwise (directly or indirectly) interested;
- (b) shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;
- (c) shall be entitled to vote at a meeting of directors (or of a committee of directors) or participate in any unanimous decision, in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;
- (d) 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;
- (e) 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
- (f) 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.

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

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

## **10. APPOINTMENT AND REMOVAL OF DIRECTORS**

10.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director

- (a) by ordinary resolution, or
- (b) by a decision of the directors.

- 10.2 In any case where, as a result of death or bankruptcy, the Company has no shareholders and no director, 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, as a director.

## **11. ALTERNATE DIRECTORS**

- 11.1 Any director (other than an alternate director) (the **Appointor**) may appoint any other director or any other person approved by resolution of the directors to be an alternate director to exercise the Appointor's powers, and carry out the Appointor's responsibilities, in relation to the taking of decisions by the directors, in the absence of the Appointor. In these Articles, where the context so permits, the term "director" shall include an alternate director appointed by a director. A person may be appointed an alternate director by more than one director.
- 11.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company (and to the alternate, on removal) signed by the Appointor, or in any other manner approved by the directors.
- 11.3 The notice must:
- (a) identify the proposed alternate; and
  - (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the director giving the notice.
- 11.4 An alternate director may act as alternate to more than one director and has the same rights, in relation to any decision of the directors, as the alternate's Appointor.
- 11.5 Except as these Articles specify otherwise, alternate directors:
- (a) are deemed for all purposes to be directors;
  - (b) are liable for their own acts and omissions;
  - (c) are subject to the same restrictions as their Appointors; and
  - (d) are not deemed to be agents of or for their Appointors,
- and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his Appointor is a member.
- 11.6 A person who is an alternate director but not a director may, subject to him being an Eligible Director:

- (a) be counted as participating for the purposes of determining whether a quorum is present at a meeting of directors (but only if that person's Appointor is an Eligible Director and is not participating);
  - (b) participate in a unanimous decision of the directors (but only if his Appointor is an Eligible Director in relation to that decision, and does not himself participate); and
  - (c) shall not be counted as more than one director for the purposes of articles 11.6(a) and (b).
- 11.7 A director who is also an alternate director is entitled, in the absence of his Appointor(s), to a separate vote on behalf of each Appointor (provided that an Appointor is an Eligible Director in relation to that decision), in addition to his own vote on any decision of the directors, but shall not be counted as an additional director for each Appointor when determining whether a quorum is present.
- 11.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's Appointor as the Appointor may by notice in writing to the Company from time to time direct.
- 11.9 An alternate director's appointment as an alternate (in respect of a particular Appointor) terminates:
- (a) when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate; or
  - (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a director; or
  - (c) when the alternate's Appointor ceases to be a director for whatever reason.

## **SHARES**

### **12. SHARE CAPITAL**

- 12.1 Except as otherwise provided in these Articles, the A Shares, the B Shares and the C Shares shall rank pari passu in all respects but shall constitute separate classes of Shares.
- 12.2 The A Shares, the B Shares and the C Shares shall each be entitled to receive dividends, save that the Company may declare a dividend in respect of one class of Shares and not in respect of any other class of Shares or may declare a dividend of differing amounts in respect of each class of Shares.
- 12.3 On the transfer of any Share as permitted by these Articles:

- (a) a Share transferred to a non-shareholder shall remain of the same class as before the transfer; and
  - (b) a Share transferred to a shareholder shall automatically be redesignated on transfer as a Share of the same class as those shares already held by the shareholder.
- 12.4 If no Shares of a class are or remain in issue whether following a redesignation under article 12.3 or otherwise, these Articles shall be read as if they do not include any reference to that class or to any consents from, or attendance at any meeting or votes to be cast by, shareholders of that class.
- 12.5 No variation of the rights attaching to any class of Shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of Shares. Where a special resolution to vary the rights attaching to a class of Shares is proposed at a separate general meeting of that class of Shares, all the provisions of these Articles as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative. For the purpose of this article, one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.

### **13. FURTHER ISSUE OF SHARES**

- 13.1 Save to the extent authorised by these Articles, or authorised from time to time by an ordinary resolution of the shareholders, the directors 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.
- 13.2 Subject to the remaining provisions of this article 12 and to article 14, the directors are generally and unconditionally authorised, for the purposes of section 551 of the Act and generally, to exercise any power of the Company to:
  - (a) offer, allot or grant rights to subscribe for;
  - (b) convert any security into; or
  - (c) otherwise deal in, or dispose of,any shares (or any options, warrants, conversion rights and all other rights to acquire or subscribe for shares) to any person, at any time and subject to any terms and conditions as the directors think proper.
- 13.3 The authority referred to in article 13.2:
  - (a) shall be limited to shares with a maximum nominal amount of £200;
  - (b) shall only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution; and

- (c) may only be exercised for a period of five years commencing on the date on which these Articles are adopted, save that the directors may make an offer or agreement which would, or might, require shares to be allotted after the expiry of such authority and the directors may allot shares in pursuance of such an offer or agreement as if such authority had not expired.

#### **14. FURTHER ISSUE OF SHARES : PRE-EMPTION RIGHTS**

- 14.1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.
- 14.2 Unless otherwise agreed by special resolution, if the Company proposes to allot any equity securities (other than any equity securities to be held under an employees' share scheme), those equity securities shall not be allotted to any person unless the Company has first offered them to all holders of Ordinary Shares on the date of the offer on the same terms, and at the same price, as those equity securities are being offered to other persons on a pari passu and pro rata basis to the number of shares held by those holders (as nearly as possible without involving fractions). The offer:
  - (a) 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
  - (b) may stipulate that any shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess equity securities (**Excess Securities**) for which he wishes to subscribe.
- 14.3 Any equity securities not accepted by shareholders pursuant to the offer made to them in accordance with article 14.2 shall be used for satisfying any requests for Excess Securities made pursuant to article 14.2. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants pro rata to the number of shares held by the applicants immediately before the offer was made to shareholders in accordance with article 14.2 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any shareholder beyond that applied for by him). After that allotment, any Excess Securities remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the shareholders.
- 14.4 Subject to articles 14.2 and 14.3 and to section 551 of the Act, any equity securities shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.
- 14.5 On the allotment of any equity securities in accordance with these Articles:

- (a) any equity securities allotted to a shareholder shall automatically be issued as shares of the same class as those shares already held by the shareholder; and
- (b) any equity securities allotted to a non-shareholder shall be issued as shares of such class as is approved by ordinary resolution.

## **15. SHARE TRANSFERS: GENERAL**

- 15.1 In these Articles, reference to the transfer of a share includes the transfer, assignment or other disposal of a beneficial or other interest in that share, or the creation of a trust or encumbrance over that share, and reference to a share includes a beneficial or other interest in a share.
- 15.2 Subject to article 15.4, the directors must register any duly stamped transfer made in accordance with these Articles, unless they suspect the proposed transfer may be fraudulent.
- 15.3 The directors shall not have any discretion to register any transfer of shares which has not been made in compliance with these Articles.
- 15.4 The directors may, as a condition to the registration of any transfer of shares in the Company require the transferee to execute and deliver to the Company a deed under which the transferee agrees to be bound by the terms of any shareholders' agreement (or similar document) in force between the shareholders in such form as the directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document). If any such condition is imposed in accordance with this article 15.4, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 15.5 Any transfer of Shares by way of a sale that is required to be made under article 16 shall be deemed to include a warranty that the transferor sells the shares with full title guarantee.
- 15.6 If a shareholder transfers (or purports to transfer) a share other than in accordance with these Articles he shall be deemed to have immediately served a Transfer Notice in respect of all the shares held by him.

## **16. PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES**

- 16.1 A shareholder holding Shares who wishes to transfer any Shares (**Seller**) shall give the Company notice in writing (**Transfer Notice**). Once given the Transfer Notice shall be irrevocable save that where the Sale Price for the Seller's Shares is determined by an Expert pursuant to article 16.4 the Seller may, by notice in writing given to the Company within seven days after communication to him of the Sale Price pursuant to Article 16.4(d), withdraw the Transfer Notice.
- 16.2 The Transfer Notice shall specify:

- (a) the number of Shares the Seller wishes to transfer (**Sale Shares**); and
- (b) whether the Seller has received an offer from a third party for the Sale Shares and if so the identity of that third party and the price offered by that third party for the Sale Shares (**Proposed Transferee**);

and may:

- (c) specify a condition that unless all the Sale Shares are sold none shall be sold (**Total Sale Condition**) (and if a Total Sale Condition is not included, it shall be deemed not to have been included within such Transfer Notice); and/or
  - (d) specify a price per share (**Proposed Sale Price**) at which the Seller wishes to sell the Sale Shares.
- 16.3 By giving the Transfer Notice, the Seller appoints the Company (acting by the directors) as his agent with the power to sell the Sale Shares (with all rights attaching to them) in accordance with the provisions of these Articles.
- 16.4 The price for each Sale Share (**Sale Price**) shall be the Proposed Sale Price or, in the absence of any Proposed Sale Price, the price per Sale Share agreed between the Seller and the Company or, failing such agreement, the price per Sale Share determined by the Expert. If the Sale Price is to be determined by the Expert:
- (a) the Company shall immediately instruct the Expert to determine the Sale Price on the basis which, in the Expert's opinion, represents a fair price for the Sale Shares at the date of the Transfer Notice as between a willing seller and a willing buyer and, in making that determination, the Expert shall ignore the fact that the Sale Shares represent (if that is the case) a minority or majority interest in the share capital of the Company;
  - (b) the Expert shall determine the Sale Price as soon as possible after being instructed by the Company and in so determining the Expert shall be deemed to be acting as expert and not as arbitrator and the Arbitration Act 1996 shall not apply;
  - (c) the determination of the Expert shall, in the absence of manifest error, be final and binding; and
  - (d) the Company shall procure that any determination required pursuant to this article 16.4 is obtained as soon as possible and a copy provided to the Seller as soon as possible and the cost of obtaining that determination shall be borne equally by the Company and the Seller unless the Expert directs otherwise.]
- 16.5 Provided the Transfer Notice has not been withdrawn by the Seller pursuant to article 16.1, within 14 days of the Sale Price being agreed or determined in accordance with these Articles the Company shall give notice in writing (**Transfer Offer Notice**) to the Eligible Shareholders offering for sale the Sale Shares at the Sale Price. The Transfer Offer Notice shall specify that each Eligible Shareholder:

- (a) is entitled to apply for some or all of the Sale Shares; and
- (b) shall, if he wishes to apply, have a period of 25 days from the date of the Transfer Offer Notice (**Acceptance Period**) within which to deliver his application for Sale Shares to the Company.

16.6 Subject to article 16.7, on the expiry of the Acceptance Period:

- (a) if the total number of Sale Shares applied for is equal to or less than the total number of Sale Shares, the Company:
  - (i) shall allocate to each Eligible Shareholder the number of Sale Shares he applied for; and
  - (ii) may allocate any remaining Sale Shares to itself (and it shall, subject to the Act, be entitled to acquire them) and if it does not do so, the provisions of article 16.12 shall apply; or
- (b) if the total number of Sale Shares applied for is greater than the total number of Sale Shares, the Company shall allocate:
  - (i) the Sale Shares, amongst the Eligible Shareholders who have applied for them (pro rata, but without allocating to any Eligible Shareholder more Sale Shares than he applied for); and
  - (ii) any remaining Sale Shares, pro rata, to those Eligible Shareholders whose applications for Sale Shares have not yet been satisfied in full (but without allocating to any Eligible Shareholder more Sale Shares than he applied for) and any remaining Sale Shares shall be allocated by re-applying the provisions of this article 16.6(b)(ii) until all the Sale Shares have been allocated.

16.7 If the Transfer Notice contained a Total Sale Condition the Company shall not allocate any of the Sale Shares pursuant to article 16.6 unless all of the Sale Shares can be so allocated and, if the total number of shares allocated under article 16.6 is less than the number of Sale Shares the Transfer Notice shall lapse with immediate effect.

16.8 If any of the Sale Shares are allocated by the Company pursuant to article 16.6:

- (a) the persons to whom they are allocated (each an **Allocated Person**) shall be bound to acquire the Sale Shares allocated to them at the Sale Price; and
- (b) the Company shall immediately on allocating any Sale Shares give notice in writing (**Sale Notice**) to the Seller and to each Allocated Person specifying:
  - (i) the number of Sale Shares allocated to that Allocated Person and the aggregate price payable for those Sale Shares; and

- (ii) the time, date and place of completion (which shall be not less than seven and not more than 28 days after the date of the Sale Notice).

**16.9 On completion:**

- (a) each Allocated Person (other than the Company) shall pay the purchase price in respect of the relevant Sale Shares:
  - (i) to the Seller; or
  - (ii) if the Seller is not present at completion, to the Company to be held on trust (without interest) for the Seller (and the receipt by the Company for the purchase price shall be a good discharge to that Allocated Person (who shall not be bound to see the application of it));
- (b) if the Company is an Allocated Person, it shall:
  - (i) pay the purchase price for the relevant Sale Shares to the Seller; or
  - (ii) if the Seller is not present at completion, hold the purchase price for the relevant Sale Shares on trust (without interest) for the Seller; and
- (c) the Seller shall transfer the relevant Sale Shares to the relevant Allocated Person and deliver the relevant share certificates.

**16.10** If the Seller defaults in transferring any Sale Shares to an Allocated Person pursuant to article 16.9, the Company is unconditionally and irrevocably authorised to appoint any person as agent of the Seller to execute a transfer form for those Sale Shares in the name, and on behalf, of the Seller (and to do such other things as are necessary to transfer the relevant Sale Shares pursuant to this article 16) and:

- (a) where the Allocated Person is not the Company, when that transfer form has been duly stamped, the Company shall cause that Allocated Person to become the registered holder of those Sale Shares; or
- (b) where the Allocated Person is the Company, the Company shall cause those Sale Shares to be cancelled in accordance with the Act;

and after that, the validity of the proceedings shall not be questioned by any person.

**16.11** Any money held on trust by the Company for the Seller in respect of any Sale Shares shall only be released to the Seller on production of the relevant share certificates (or an appropriate indemnity for any lost share certificates) for the Sale Shares that have been transferred to Allocated Persons.

**16.12** Where a Transfer Notice has lapsed pursuant to article 16.7 by reason of a Total Sale Condition not having been met or, if the Transfer Notice did not contain a Total Sale Condition, all the Sale Shares are not allocated under the pre-emption provisions contained in articles 16.1 to 16.11 (inclusive), the Company shall (forthwith upon the exhaustion of such provisions) so notify the Seller and the Seller

may at any time, within three calendar months after receiving such notification, transfer to the Proposed Transferee or other transferee the Sale Shares or such of them as remain unallocated at any price not less than the Sale Price, provided that:

- (a) the board of directors may require the Company to refuse registration of any transferee other than the Proposed Transferee if they reasonably believe the transferee to be a competitor of the Company or a person connected with such a competitor (or a nominee of either);
- (b) if the original Transfer Notice contained a Total Sale Condition the Seller shall not be entitled to sell any Sale Shares unless he transfers all the Sale Shares to the Proposed Transferee or such other transferee; and
- (c) any such sale shall be a sale in good faith and the directors may require to be satisfied (in such manner as they may reasonably think fit) that the Sale Shares are being sold for not less than the Sale Price without any deduction, rebate or allowance whatsoever and if not so satisfied may require the Company to refuse to register the transfer.

#### **DECISION MAKING BY SHAREHOLDERS**

##### **17. QUORUM FOR GENERAL MEETINGS**

- 17.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two persons present in person or by proxy.
- 17.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

##### **18. VOTING**

At a general meeting, on a show of hands every shareholder who is present in person or by proxy shall have one vote, unless the proxy is himself a shareholder entitled to vote; on a poll every shareholder present in person or by proxy shall have one vote for each share of which he is the holder; and on a vote on a written resolution every shareholder has one vote for each share of which he is the holder.

##### **19. POLL VOTES**

- 19.1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 19.2 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.

## **ADMINISTRATIVE ARRANGEMENTS**

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

20.1 Subject to article 20.3, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

- (a) if delivered by hand, at the time of delivery; or
- (b) if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, two Business Days after posting; or
- (c) if sent by airmail to an address outside the country from which it is sent, five Business Days after posting; or
- (d) if sent by reputable international overnight courier to an address outside the country from which it is sent, at the time of delivery; or
- (e) if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied; or
- (f) 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; and
- (g) if deemed receipt under the previous paragraphs of this article 20.1 is not within business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of receipt), when business next starts in the place of deemed receipt. For the purposes of this article, all references to time are to local time in the place of deemed receipt.

20.2 To prove service, it is sufficient to prove that:

- (a) if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
- (b) if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or
- (c) if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

20.3 Any notice, document or other information served on, or delivered to, an intended recipient under article 16.1 or 16.5 (as the case may be) may not be served or delivered in electronic form (other than by fax), or by means of a website.

20.4 In proving that any notice, document or information was properly addressed, it shall suffice to show that the notice, document or information was addressed to an address permitted for the purpose by the Act.

## **21. INDEMNITY**

21.1 Subject to article 21.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer of the Company shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them, including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs; and
- (b) 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 21.1(a) and otherwise may take action to enable any such relevant officer to avoid incurring such expenditure.

21.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

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

21.4 In this article:

- (a) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company;
- (b) a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor); and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.