

12 November 2021

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

CROWN SPORTS LOCKERS (UK) LIMITED

Company No 02521770



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COMPANY NO. 02521770
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OF
CROWN SPORTS LOCKERS (UK) LIMITED
(Adopted by special resolution passed on 12 November 2021)

Introduction

1. Interpretation

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

Adoption Date: the date of adoption of these Articles;

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

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

CA 2006: the Companies Act 2006;

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;

Continuing Shareholder: has the meaning given in article 15.1;

Deemed Transfer Notice: a Transfer Notice that is deemed to have been served under any provisions of these Articles;

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);

Fair Value: in relation to shares, as determined in accordance with article 17;

Interested Director: has the meaning given in article 9.1;

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 to a numbered Model Article is a reference to that article of the Model Articles;

Original Shareholder: a shareholder who holds shares in the Company on the date of adoption of these Articles;

Price Notice: has the meaning given in Error! Bookmark not defined.Error! Reference source not found.;

Proposed Sale Price: has the meaning given in article 15.1;

Purchase Notice: has the meaning given in Error! Bookmark not defined.Error! Reference source not found.;

Sale Shares: has the meaning given in article 15.1;

Seller: has the meaning given in article 15.1;

Share: an ordinary share of £0.01 in the capital of the Company designated as an ordinary share;

shareholder: a holder of shares in the Company from time to time together with their respective successors and assigns.

SJG: Spencer James Grimwood;

SLP: Samuel Lloyd Palmer;

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

Valuer: an independent firm of chartered accountants of repute appointed by the shareholders in accordance with article 17; and

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 CA 2006 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 any legislation or legislative provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.6 A reference to any legislation or legislative provision shall include all subordinate legislation made from time to time under that legislation or legislative provision.
- 1.7 Any words following the terms including, include, in particular, for example 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.
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, 9(1), 11 to 14 (inclusive), 16, 17, 22(2), 26(5), 36, 38, 39, 43, 44(2), 49 and 50 to 53 (inclusive) shall not apply to the Company.
 - 2.3 Model Article 20 shall be amended by the insertion of the words "(including alternate directors and the secretary)" before the words "properly incur".
 - 2.4 In Model Article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
 - 2.5 Model Articles 27(2)(a) and (b) shall be amended by the insertion, in each case, of the words ", the cross option agreement and to any other agreement to which the holder was party at the time of his death" after the words "subject to the Articles".
 - 2.6 Model Article 28(2) shall be amended by the deletion of the word "If" and the insertion of the words "Subject to the Articles, and cross option agreement and any other agreement to which the holder was party at the time of his death, if" in its place.
 - 2.7 Model Article 29 shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2) of the Model Articles," after the words "the transmittee's name".
 - 2.8 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. The directors will meet at least annually.
- 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 no such resolution shall be passed unless SJG and SLP who are participating in the meeting of the directors have voted in favour of it.
- 3.4 Each director has one vote at a meeting of directors.
- 3.5 If at any time before or at any meeting of the directors all Eligible 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.

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.

5. Number of directors

The number of directors shall not be less than two and shall not be subject to a maximum, made up of SJG and SLP. For the avoidance of doubt, there will always be an equal number of directors appointed by SLG and SLP respectively

6. Calling a directors' meeting

6.1 Any director may call a meeting of directors by giving not less than 7 Business Days' notice of the meeting (or such shorter period of notice as agreed in writing by the other Director) to the other director or by authorising the Company secretary (if any) to give such notice.

6.2 Notice of any directors' meeting shall be given in writing to each director.

7. Quorum for directors' meetings

7.1 The quorum at any meeting of the directors (including adjourned meetings) shall be two directors, of whom both shall be SJG and SLP.

7.2 No business shall be conducted at any meeting of directors unless a quorum is present at the beginning of the meeting and also when that business is voted on.

7.3 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 10 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 the meeting shall be dissolved.

8. Chairing of directors' meetings

The post of chair of the board of directors will be held in alternate years by SJG or by SLP. The chairperson shall not have a casting vote.

9. Directors' interests

9.1 For the purposes of section 175 of the CA 2006, the shareholders (and not the directors) shall have the power to authorise, by resolution and in accordance with the provisions of these Articles, any Conflict proposed to them by any director which would, if not so authorised, involve a director (the Interested Director) breaching their duty under section 175 of the CA 2006 to avoid conflicts of interest.

9.2 The Interested Director must provide the shareholders with such details as are necessary for the shareholders to decide whether or not to authorise the Conflict, together with such additional information as may be requested by the shareholders.

9.3 Any authorisation by the shareholders 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 shareholders think fit;
- (e) provide that, where the Interested Director obtains, or has obtained (through the Interested Director's involvement in the Conflict and otherwise than through their position as a director of the Company) information that is confidential to a third party, the Interested Director 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 themselves 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.

9.4 Where the shareholders authorise a Conflict:

- (a) the Interested Director will be obliged to conduct themselves in accordance with any terms and conditions imposed by the shareholders in relation to the Conflict; and
- (b) the Interested Director will not infringe any duty they owe to the Company by virtue of sections 171 to 177 of the CA 2006, provided they act in accordance with such terms and conditions (if any) as the shareholders impose in respect of their authorisation.

9.5 The shareholders 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.

9.6 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 the director derives from or in connection with a relationship involving a Conflict which has been authorised by the shareholders in accordance with these Articles (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.

- 9.7 Subject to sections 177(5) and 177(6) of the CA 2006, 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 the director's interest to the other directors before the Company enters into the transaction or arrangement in accordance with the CA 2006.
- 9.8 Subject to sections 182(5) and 182(6) of the CA 2006, 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 the director's interest to the other directors as soon as is reasonably practicable in accordance with the CA 2006, unless the interest has already been declared under article 9.7.
- 9.9 Subject, where applicable, to any terms, limits or conditions imposed by the shareholders in accordance with article 9.3, and provided a director has declared the nature and extent of their interest in accordance with the requirements of the CA 2006, 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 the relevant director is interested;
 - (c) shall be entitled to vote at a meeting of directors (or of a committee of directors) or to participate in any unanimous decision in respect of such transaction or arrangement or proposed transaction or arrangement in which the relevant director is interested;
 - (d) may act by themselves or their firm in a professional capacity for the Company (otherwise than as auditor) and they or their firm shall be entitled to remuneration for professional services as if they 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 the relevant director may otherwise agree, be accountable to the Company for any benefit which they (or a person connected with them (as defined in section 252 of the CA 2006)) 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 their duty under section 176 of the CA 2006.

10. 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.

11. Appointment and removal of directors

11.1 Both SJG and SLP shall be entitled to appoint persons to be directors of the Company. Such appointments to be by the unanimous consent of both SJG and SLP.

11.2 Any director may at any time be removed from office by the unanimous consent of SJG and SLP. Any director who is an employee of the Company and who ceases to be an employee shall be removed from office from the date their employment ceases.

11.3 Any appointment or removal of a director pursuant to this article shall be in writing and signed by both SJG and SLP and served on each of the shareholders, the Company at its registered office, and on the director, in the case of the director's removal. Any such appointment or removal shall take effect when received by the Company or at such later time as shall be specified in such notice.

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

11.5 No director shall be appointed or removed otherwise than pursuant to these Articles, save as provided by law.

Shares

12. Issue of further Shares

12.1 If the Company wishes to issue further shares, the Company shall offer to each of the shareholders, by giving written notice to each respective shareholder, that proportion of the shares proposed to be issued which the number of shares held by that shareholder bears to the total number of shares in issue at the time the Company gives its notice. Such offer shall state the number of shares to be issued and the price of the shares.

- 12.2 Each shareholder may accept the offer by giving notice to the Company, at any time within twenty (20) Business Days following the Company's notice, accompanied by a banker's draft made payable to the Company in respect of full payment for the shares to be subscribed for.
- 12.3 The offer may also stipulate that any shareholder who wishes to subscribe for a number of shares in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess shares (the "Excess Shares") for which he wishes to subscribe. Any shares not accepted by shareholders pursuant to the offer made to them in accordance with article 12.2 shall be used for satisfying any requests for Excess Shares made pursuant to this article. If there are insufficient Excess Shares to satisfy such requests, the Excess Shares shall be allotted to the applicants as nearly as practicable in the proportion that the number of Excess Shares each shareholder indicated he would accept bears to the total number of Excess Shares applied for (as nearly as possible without involving fractions or increasing the number of Excess Shares allotted to any member beyond that applied for by him).
- 12.4 Any shares referred to in the Company's offer, for which the shareholders do not subscribe, may be issued by the Company as it thinks fit, provided that any such issue is completed within forty (40) Business Days after the Company's notice of the offer.
- 12.5 No share of any class nor any right to subscribe for or convert any security into a share of any class shall be allotted or granted otherwise than to the holder of a share of that same class.
- 12.6 In accordance with section 567 of the CA 2006, sections 561 and 562 of the CA 2006 shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) where such allotment conforms with the requirements of these Articles.
13. Further issues of shares: Authority
- 13.1 Subject to these Articles, including articles 12 and the remaining provisions of article 13, and the terms of any shareholders' agreement (or similar document) in force between the shareholders from time to time, the directors are generally and unconditionally authorised, for the purpose of section 551 of the CA 2006, to exercise any power of the Company to:
- (a) offer or allot;
 - (b) grant rights to subscribe for or to convert any security into; or
 - (c) otherwise deal in, or dispose of,
- any shares in the Company to any person, at any time and subject to any terms and conditions as the directors think proper.

13.2 the authority referred to in article 13.1:

- (a) shall be limited to a maximum nominal amount of £10 of ordinary shares, or such other amount as may from time to time be authorised by the Company by ordinary resolution;
- (b) shall only apply insofar as the Company has not, subject to the Articles, renewed waived or revoked it by ordinary resolution; and
- (a) may only be exercised for a period of five years from the Adoption Date, 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 an offer or agreement as if such authority had not expired).

14. Share transfers: general

- 14.1 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.
- 14.2 No shareholder shall transfer any share except with the prior written consent of SJG and SLP.
- 14.3 Subject to article 14.4, the directors must register any duly stamped transfer made in accordance with these Articles and shall not have any discretion to register any transfer of shares which has not been made in compliance with these Articles.
- 14.4 The directors may, as a condition to the registration of any transfer of shares in the Company require the transferee to provide the Company with the required particulars under section 790K of the CA 2006 if the transferee is a registrable person or relevant legal entity within the meaning of section 790C of the CA 2006 and 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 14.4, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee and the Company has received all of the required particulars under section 790K of the CA 2006 if the transferee is a registrable person or relevant legal entity within the meaning of section 790C of the CA 2006.

- 14.5 To enable the directors to determine whether or not there has been a transfer of shares in the Company in breach of these Articles, the directors may from time to time require any shareholder to provide the Company with such information and evidence as they may reasonably require relevant to that purpose. If a shareholder fails to provide information or evidence in respect of any shares registered in its name to the reasonable satisfaction of such directors within 14 days of their request, such directors may serve a notice on the shareholder stating that the shareholder shall not in relation to all shares held by that shareholder be entitled to be present or to vote in person or by proxy at any general meeting of the Company or any meeting of the holders of shares of that class, or to vote on a written resolution of the shareholders or to receive dividends on the shares until such evidence or information has been provided to the directors' satisfaction. Such directors may reinstate these rights at any time.
- 14.6 Any transfer of shares by way of a sale that is required to be made under article 15, Error! Bookmark not defined.Error! Reference source not found. or article 16 shall be deemed to include a warranty that the transferor sells the shares with full title guarantee.
15. Pre-emption rights on the transfer of shares
- 15.1 A shareholder (the "Seller") wishing to transfer shares in the capital of the Company (the "Sale Shares") must give a Transfer Notice to the Company giving details of the proposed transfer including:
- (a) the number of Sale Shares which must be all but not some only of the shares held by the Seller;
 - (b) if the Seller wishes to sell the Sale Shares to a third party, the name of the proposed buyer; and
 - (c) the price (in cash) at which he wishes to sell the Sale Shares (the "Proposed Sale Price").
- 15.2 Subject only to article 15.7, once given (or deemed to have been given) under these Articles, a Transfer Notice may not be withdrawn.
- 15.3 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of these Articles.
- 15.4 As soon as practicable following the receipt of a Transfer Notice, the board of directors shall offer the Sale Shares for sale in the manner set out in the remaining provisions of this article. Each offer shall be in writing and provide the information set out in article 15.1.

- 15.5 The board of directors shall offer the Sale Shares (the "First Offer") to all shareholders other than the Seller and excluding any shareholder whose shares are, at the date of the Transfer Notice, the subject of a Deemed Transfer Notice (the "Continuing Shareholders"), inviting them to apply in writing within the period from the date of the offer to the date twenty (20) Business Days after the offer (both dates inclusive) (the "First Offer Period") for the maximum number of Sale Shares they wish to buy.
- 15.6 The Continuing Shareholders (or any of them) may, by giving notice in writing (the "Price Notice") to the Company at any time within ten (10) Business Days of receipt of the First Offer, notify the Seller that the Proposed Sale Price is too high. Following service of a Price Notice, the Seller and the Continuing Shareholders shall endeavour to agree a price for each of the Sale Shares. If they have not agreed such a price within ten (10) Business Days of the Company's receipt of a Price Notice, they (or any of them) shall promptly instruct the Valuers to determine the Market Value of each Sale Share in accordance with article 17.
- 15.7 If, following delivery to him of the Valuers' written notice in accordance with article 17, the Seller does not agree with the Valuers' assessment of the Market Value of the Sale Shares, he shall be entitled to revoke the Transfer Notice by giving notice in writing to the Company within five (5) Business Days of delivery to him of the Valuers' written notice. If the Seller revokes the Transfer Notice, he is not entitled to transfer the Sale Shares except in accordance with these Articles.
- 15.8 If, at the end of the First Offer Period or, if later, within twenty (20) Business Days of receipt of the Valuers' determination of the Market Value (and provided the Seller has not withdrawn the Transfer Notice in accordance with article 15.7):
- (a) the total number of Sale Shares applied for at the Sale Price is equal to or exceeds the number of Sale Shares, the board of directors shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion which his existing holding of shares bears to the total number of shares held by those Continuing Shareholders who have applied for Sale Shares. Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case the allocation of any such fractional entitlements among the Continuing Shareholders who have applied for Sale Shares shall be determined by the board of directors). No allocation shall be made to a Continuing Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy;
 - (b) not all Sale Shares are allocated following allocations in accordance with article 15.8(a), but there are applications for Sale Shares that have not been satisfied, the board of directors shall allocate the remaining Sale Shares to such applicant(s) in accordance with the procedure set out in this article 15.8(b). The procedure set out in this article 15.8(b) shall apply on any number of consecutive occasions until

either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and/or

- (c) the total number of Sale Shares applied for at the Sale Price is less than the number of Sale Shares, the board of directors shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications. The balance (the "Initial Surplus Shares") shall be dealt with in accordance with article 15.9 and article 15.15.

15.9 At the end of the First Offer Period, the board of directors shall offer the Initial Surplus Shares (if any) to all the Continuing Shareholders at the Sale Price, inviting them to apply in writing within the period from the date of the offer to the date twenty (20) Business Days after the offer (both dates inclusive) (the "Second Offer Period") for the maximum number of Initial Surplus Shares they wish to buy.

15.10 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is equal to or exceeds the number of Initial Surplus Shares, the board of directors shall allocate the Initial Surplus Shares to each Continuing Shareholder who has applied for Initial Surplus Shares in the proportion that his existing holding of shares (including any Sale Shares) bears to the total number of shares (including any Sale Shares) held by those Continuing Shareholders who have applied for Initial Surplus Shares during the Second Offer Period. Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Initial Surplus Shares being allocated, in which case, the allocation of any such fractional entitlements among the Continuing Shareholders shall be determined by the board of directors). No allocation shall be made to a Continuing Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy.

15.11 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the board of directors shall allocate the Initial Surplus Shares to the Continuing Shareholders in accordance with their applications. The balance (the "Second Surplus Shares") shall be dealt with in accordance with article 15.15.

15.12 If allocations under article 15.8 to article 15.11 have been made in respect of some or all of the Sale Shares, the board of directors shall give written notice of allocation (an "Allocation Notice") to the Seller and each Continuing Shareholder to whom Sale Shares have been allocated (each an "Applicant"). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant, the amount payable by each Applicant for the number of Sale Shares allocated to him ("Consideration") and the place and time for completion of the transfer of the Sale Shares (which shall be at least five (5) Business Days, but not more than twenty (20) Business Days, after the date of the Allocation Notice).

15.13 On the date specified for completion in the Allocation Notice, the Seller shall, against payment of the Consideration:

- (a) execute and deliver a transfer of the Sale Shares allocated to such Applicant, in accordance with the requirements specified in the Allocation Notice, together with the relevant share certificate(s) or an indemnity in respect thereof; and
- (b) if, following a sale of shares in accordance with these Articles, the Seller holds no further shares in the Company, the Seller shall deliver, or procure that there are delivered to the Company, his resignation as a director of the Company and resignations from any directors appointed by him, such resignations to take effect at completion of the sale of the Sale Shares.

15.14 If the Seller fails to comply with article 15.13:

- (a) the chairman of the board of directors (or, failing him, one of the other directors) may, as agent on behalf of the Seller:
 - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants and the resignation of director(s) (if applicable);
 - (ii) receive the Consideration and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Consideration); and
 - (iii) (subject to the transfers being duly stamped) enter the Applicants in the register of members as the holders of the Sale Shares purchased by them; and
- (b) the Company shall pay the Consideration into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Sale Shares or an indemnity, in a form reasonably satisfactory to the board of directors, in respect of any lost certificate, together, in either case, with such other evidence (if any) as the board of directors may reasonably require to prove good title to those Sale Shares, to the Company.

15.15 If an Allocation Notice does not relate to all of the Sale Shares or if no allocations are made under article 15.8, then the Company shall be entitled (to the extent that it is legally able to do so) to serve notice on the Seller of its intention to purchase any remaining Sale Shares or all of the Sale Shares (as the case may be) within ten (10) Business Days of:

- (a) the date of the Allocation Notice; or
- (b) where no allocations are made under article 15.8, the end of the Offer Period or, if later, the end of the period twenty (20) Business Days after receipt of the Valuers' determination of the Market Value (and provided the Seller has not withdrawn the Transfer Notice in accordance with article 15.7).

- 15.16 If the Company serves such notice under article 15.15, such purchase shall take place within ninety (90) Business Days following service of such notice (or if longer, the first Business Day upon which the Company is legally able to purchase such remaining Sale Shares, subject to a maximum period of one hundred and twenty (120) Business Days) at a price per Sale Share being the lower of the Proposed Sale Price and the Market Value of each Sale Share, which if not already done so, shall be determined in accordance with article 17.
- 15.17 If any Sale Shares remain unsold after all preceding provisions of this article have been duly followed then, subject to the prior written consent of the Company and all shareholders for the time being and subject to article 15.18 and within the period of twelve (12) weeks following service of the Allocation Notice or immediately following the end of the applicable period referred to in article 15.16, the Seller may transfer any remaining Sale Shares to the third party buyer identified in the Transfer Notice at a price per Sale Share not less than the Sale Price provided that the Seller shall procure that any buyer of Sale Shares that is not, immediately prior to completion of the transfer in question, a party to any shareholders' agreement (or similar document) in force between the shareholders shall, at completion, execute and deliver to the Company a deed under which the buyer agrees to be bound by the terms of any such shareholders' agreement (or similar document), in such form as the Continuing Shareholders may reasonably require (but not so as to oblige the buyer to have any obligations or liabilities greater than those of the Seller).
- 15.18 The Seller's right to transfer Sale Shares under this article 15 does not apply if the board of directors reasonably consider that:
- (a) The transferee is a person (or a nominee for a person) who is a competitor with (or an associate of a competitor with) the business of the Company; or
 - (b) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
 - (c) the Seller has failed or refused to provide promptly information available to the Seller and reasonably requested by the board of directors to enable it to form the opinion mentioned above.
- 15.19 The restrictions imposed by this article may be waived in relation to any proposed transfer of Sale Shares with the consent of all shareholders who, but for the waiver, would or might have been entitled to have such Sale Shares offered to them in accordance with this article.
16. Compulsory transfers
- 16.1 A shareholder is deemed to have served a Transfer Notice under article 15.1 immediately before any of the following events:

- (a) an order being made, for the shareholder's bankruptcy; or
- (b) an application by the relevant shareholder to the court being made under section 253 of the Insolvency Act 1986 where the shareholder intends to make a proposal to his creditors for a voluntary arrangement; or
- (c) the shareholder making an individual voluntary arrangement with his creditors on agreed terms under section 263A of the Insolvency Act 1986; or
- (d) the shareholder convening a meeting of his creditors or taking any other steps with a view to making an arrangement or composition in satisfaction of his creditors generally; or
- (e) the shareholder being deemed unable to pay his debts as they fall due within the meaning of section 268 of the Insolvency Act 1986; or
- (f) any encumbrancer taking possession of, or a receiver being appointed over or in relation to, all or any material part of the shareholder's assets; or
- (g) the happening in relation to a shareholder of any event analogous to any of the above in any jurisdiction in which he is resident, carries on business or has assets; or
- (h) the shareholder committing a material or persistent breach of these Articles or any shareholders' agreement to which it is a party in relation to the shares in the Company which if capable of remedy has not been so remedied within twenty (20) Business Days of the other shareholders requiring such remedy; or
- (i) the shareholder having a disqualification order made against him under the Company Directors Disqualification Act 1986; or
- (j) the shareholder being found guilty of any criminal offence (other than an offence under road traffic legislation for which the shareholder is not sentenced to imprisonment, whether immediate or suspended); or
- (k) the shareholder committing a material or persistent breach of these Articles or any shareholders' agreement to which it is a party in relation to the shares in the Company which if capable of remedy has not been so remedied within twenty (20) Business Days of the other shareholders requiring such remedy; or
- (l) the making of any court order for the transfer of any shares to a third party; or

16.2 A shareholder shall not be deemed to have served a Transfer Notice on death, such deceased shareholder's shares shall transmit to his personal representatives to be held or dealt with in accordance with his Will or other similar arrangements and in accordance with any relevant option agreement in force at the time.

16.3 The Deemed Transfer Notice has the same effect as a Transfer Notice, except that:

- (a) the Deemed Transfer Notice takes effect on the basis that it relates to all shares held by that shareholder, does not identify a proposed buyer or state a price for the Sale Shares and the price for the Sale Shares shall be the aggregate Fair Value of those shares, determined by the Valuers in accordance with article 17, save that the Seller shall not be entitled to revoke the Transfer Notice in accordance with article 15.7; and
 - (b) the Seller does not have the right to sell the Sale Shares to any third party in accordance with article 15.1 without the prior written consent of the Company and all shareholders for the time being.
- 16.4 If the Seller fails to complete a transfer of Sale Shares as required under this article 16, the Company:
 - (a) is irrevocably authorised to appoint any person nominated for the purpose by the Continuing Shareholders or the Company (as the case may be) as agent to transfer the Sale Shares on the Seller's behalf and to do anything else that the Continuing Shareholders or the Company (as the case may be) may reasonably require to complete the sale; and
 - (b) may receive the purchase price in trust for the Seller, giving a receipt that shall discharge the Continuing Shareholders.
- 17. Valuation
 - 17.1 If a Valuer is to be appointed to determine the Fair Value of any Sale Shares in accordance with these Articles, the shareholders shall use all reasonable endeavours to reach agreement regarding the identity of the person to be appointed as the Valuer and to agree the terms of appointment with the Valuer. Neither shareholder shall unreasonably withhold its agreement to the terms of appointment proposed by the Valuer or the other shareholder.
 - 17.2 If the shareholders fail to agree on a Valuer and their terms of appointment within 10 Business Days of either shareholder serving details of a proposed Valuer on the other, then either shareholder shall be entitled to request the Institute of Chartered Accountants to appoint the Valuer.
 - 17.3 The Valuer shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the shareholders in writing of their determination.
 - 17.4 The Fair Value for any Sale Share shall be the price per share determined by the Valuer on the following bases and assumptions:
 - (a) valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company without any premium or discount

being attributable to the percentage of the issued share capital of the Company which they represent or for the rights or restrictions applying to the Sale Shares;

- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- (c) the sale is to be on arms' length terms between a willing seller and a willing buyer;
- (d) the Sale Shares are sold free of all encumbrances;
- (e) the sale is taking place on the date the Valuer was requested to determine the Fair Value; and
- (f) to take account of any other factors that the Valuer reasonably believes should be taken into account.

17.5 The shareholders are entitled to make submissions to the Valuer including oral submissions and will provide (or procure that the Company provides) the Valuer with such assistance and documents as the Valuer reasonably requires for the purpose of reaching a decision, subject to the Valuer agreeing to give such confidentiality undertakings as the shareholders may reasonably require.

17.6 To the extent not provided for by this article 17, the Valuer may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate, including (to the extent they consider necessary) instructing professional advisers to assist them in reaching their valuation.

17.7 The Valuer shall act as expert and not as arbitrator and their written determination shall be final and binding on the shareholders in the absence of manifest error or fraud.

17.8 Each shareholder shall bear its own costs in relation to the reference to the Valuer. The Valuer's fees and costs properly incurred by them in arriving at their valuation (including any fees and costs of any advisers appointed by the Valuer) shall be borne by the shareholders equally or in such other proportions as the Valuer shall direct.

18. Purchase of own shares

18.1 Subject to the CA 2006 but without prejudice to any other provision of these Articles, the Company may enter into any contract for the purchase of all or any of its shares of any class (including any redeemable shares) and any contract under which it may, subject to conditions, become entitled or obliged to purchase all or any such shares and may make payments in respect of the redemption or purchase of such shares out of distributable profits or otherwise out of distributable profits or the proceeds of a fresh issue of shares. Neither the Company nor the directors shall be required to select the shares in question ratably or in any other particular manner as between the holders of shares of the same

class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares. Notwithstanding anything to the contrary contained in these articles, the rights attaching to any class of shares shall not be deemed to be varied by anything done by the company pursuant to this article.

18.2 In addition to article 18.1 and subject to the CA 2006 but without prejudice to any other provision of these Articles, the company may purchase its own shares out of capital up to any amount in a financial year not exceeding the lower of:

- (a) £15,000; and
- (b) the value of 5% of the Company's share capital.

Decision making by shareholders

19. Quorum for general meetings

19.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two persons present in person or by proxy, of whom one shall be SJG or a duly authorised representative of SJG and one shall be SLP or a duly authorised representative of SLP.

19.2 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.

19.3 If a quorum is not present within 30 minutes of the time specified for a general meeting in the notice of the meeting then it shall be adjourned for 10 Business Days at the same time and place. If at the adjourned meeting a quorum is not present within 30 minutes of the time specified for the general meeting in the adjourned notice of meeting, then the meeting shall be dissolved.

20. Chairing general meetings

The chairperson of the board of directors shall chair general meetings.

21. Voting

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

22. Poll votes

- 22.1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the CA 2006) present and entitled to vote at the meeting.
- 22.2 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.

23. Proxies

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

Administrative arrangements

24. Means of communication to be used

- 24.1 Subject to article 24.2, any notice, document or other information shall be deemed received by the intended recipient:
- (a) if delivered by hand, at the time the notice, document or other information is left at the address;
 - (b) if sent by pre-paid first class post or other next working day delivery service providing proof of postage, at 9.00 am on the second Business Day after posting;
 - (c) if sent by pre-paid airmail providing proof of postage, at 9.00 am on the fifth Business Day after posting;
 - (d) if sent by email, at the time of transmission; or
 - (e) 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.
- 24.2 If deemed receipt under article 24.1 would occur outside Usual Business Hours, the notice, document or other information shall be deemed to have been received when Usual Business Hours next recommence. For the purposes of this article, Usual

Business Hours means 9.00 am to 5.30 pm local time on any day which is not a Saturday, Sunday or public holiday in the place of receipt of the notice, document or other information which, in the case of service by email shall be deemed to be the same place as is specified for service of notices, documents or other information on the relevant recipient by hand or post).

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

- (a) if delivered by hand, the notice was delivered to the correct address;
- (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 email, the notice was properly addressed and sent to the email address of the recipient.

24.4 In proving that any notice, document or information was properly addressed, it will suffice to show that the notice, document or information was addressed to an address permitted for the purpose by the CA 2006.

25. Indemnity and insurance

25.1 Subject to article 25.2, 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 that person as a relevant officer in the actual or purported execution and/or discharge of the relevant officer's duties, or in relation to them including (in each case) any liability incurred by the relevant officer in defending any civil or criminal proceedings, in which judgment is given in the relevant officer's favour or in which the relevant officer is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on the relevant officer's part or in connection with any application in which the court grants them, in their 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 the relevant officer in connection with any proceedings or application referred to in article 25.1(a) and otherwise may take action to enable any such relevant officer to avoid incurring such expenditure.

- 25.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the CA 2006 or by any other provision of law.
- 25.3 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.
- 25.4 In this article:
- (a) a "relevant officer " means any director or other officer or former director or other officer of the Company but excluding in each case any person engaged by the Company as auditor (whether or not that person is also a director or other officer), to the extent the person acts in their capacity as auditor; and
 - (b) 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 or any pension fund [or employees' share scheme] of the Company.