

COMPANY NUMBER 03038727

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

EUROFILMS EXTRUSION LIMITED

We certify this is a true copy of the original

Aaron & Partners LLP  
Canan Court North  
Abbey Lawn  
Shrewsbury SY2 5DE

Circulated the 2<sup>nd</sup> day of MAY 2014

The undersigned being the members of the above named company (**the Company**) who at the date of this Resolution are entitled to receive notice of and attend and vote at a general meeting of the Company convened for the purpose of considering and passing the Resolution set out below pass the following Resolution which shall pursuant to Section 288 of the Companies Act 2006 be as valid and effective for all purposes as if the same had been duly passed at a general meeting of the Company duly convened and held

#### Special Resolution

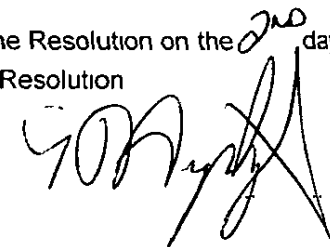
It is hereby resolved that the Articles of Association attached to this Resolution be adopted by the Company

#### AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolution

The undersigned, a person entitled to vote on the Resolution on the 2<sup>nd</sup> day of MAY 2014 hereby irrevocably agrees to the Resolution

Signed by  
GRAHAM HUMPHREYS



Date

02 05 14

Signed by  
GILLIAN HUMPHREYS

Date

WEDNESDAY



\*A37DBQG0\*

A21

07/05/2014

#53

COMPANIES HOUSE

Signed by  
MARTIN PALMER



Date

2/5/14

Signed by  
DAVID THOMAS



Date

2/5/14. DT

Signed by  
WILLIAM HUMPHREYS



Date

2.5.2014.

Signed by  
NICHOLAS SMITH



Date

2 - 5 - 14

#### NOTES

1 If you agree with the Resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods

- **By Hand** delivering the signed copy to Graham Humphreys at Eurofilms Extrusion Limited, 6 Ridge House, Ridge House Drive, Stoke on Trent ST1 5TL
- **Post** returning the signed copy by post to Graham Humphreys at Eurofilms Extrusion Limited, 6 Ridge House, Ridge House Drive, Stoke on Trent ST1 5TL

If you do not agree to the Resolution, you do not need to do anything you will not be deemed to agree if you fail to reply

2 Once you have indicated your agreement to the Resolution, you may not revoke your agreement

3 Unless, by the 28<sup>th</sup> day following the date of the letter circulating this Resolution, sufficient agreement has been received for the Resolution to pass, it will lapse. If you agree to the Resolution, please ensure that your agreement reaches us before or during this date

4 In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members

5 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document

**COMPANY NO. 03038727**

**THE COMPANIES ACTS 1985 TO 2006  
PRIVATE COMPANY LIMITED BY SHARES**

**NEW  
ARTICLES OF ASSOCIATION OF:-  
EUROFILMS EXTRUSION LIMITED**

(Adopted on *2<sup>nd</sup> MAY.* 2014)

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**COMPANIES ACTS 1985 TO 2006**

**COMPANY LIMITED BY SHARES**

**NEW**

**ARTICLES OF ASSOCIATION**

**(adopted by Special Resolution passed on 2014)**

**of**

**EUROFILMS EXTRUSION LIMITED**

**1. DEFINITIONS AND INTERPRETATION**

1.1 In these Articles, unless the context otherwise requires

**"the Act"** means the Companies Act 1985 (the **"1985 Act"**) and every statutory modification or re-enactment thereof for the time being in force. In particular (without prejudice to the generality of the foregoing) a reference to a section of the Companies Act 1985 shall include a reference to any section of the Companies Act 2006 which replaces, modifies or re-enacts that section of the Companies Act 1985 at any time after the date of these articles with effect from the date such section of the Companies Act 2006 (the **"2006 Act"**) comes into force

**"Bad Leaver"** means a Leaver (as defined in Article 8.1.6) where that cessation occurs in circumstances where the Employee Shareholder is guilty of any fraud or dishonesty,

<b>"Board"</b>	means the Board of Directors for the time being of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present,
<b>"Change of Control"</b>	means the acquisition whether by purchase, transfer, renunciation or otherwise by any person not an original party to the Shareholders' Agreement (" <b>a Third Party Purchaser</b> ") of any interest in any Shares if, upon completion of that acquisition, the Third Party Purchaser, together with persons acting in concert or connected with him (excluding any person who was an original party to the Shareholders' Agreement), would hold more than 50 per cent of the voting rights attached to the issued Shares,
<b>"Employee Shareholder"</b>	means a Member who is, or who has been within the last ten years, an employee or director of the Company or any of its subsidiaries,
<b>"GJH"</b>	means Graham Joseph Humphreys,
<b>"the Group"</b>	means the Company and its subsidiaries for the time being,
<b>"Member"</b>	means any registered holder of Shares for the time being,
<b>"Option Agreement"</b>	means the option agreement within the Shareholders' Agreement,
<b>"Share(s)"</b>	means the Ordinary Shares of £1 00 each for the time being of the Company, having the rights set out in Article 2, and
<b>"Shareholders' Agreement"</b>	means a shareholders' agreement entered into on the date of adoption of these Articles by the Company
<b>"Table A"</b>	means the Companies (Table A to F) (Amendment) Regulations 2007 as brought into force under Statutory Instrument 2007 No 2541 and the Companies (Tables A to F) (Amendment) (No 2) Regulations 2007 as brought into force under Statutory Instrument 2007 NO 2826

- 1 2 The regulations contained in Table A apply to the Company save in so far as they  
are hereby modified or excluded
- 1 3 Regulations 8, 29 to 31 (inclusive), 62, 76, 77, 82, 94-98 (inclusive) and 118 of  
Table A do not apply to the Company
- 1 4 Regulation 6 of Table A shall be modified so that reference to the company seal is  
deleted
- 1 5 Regulation 18 of Table A shall be modified by adding the following words at the  
end of the first sentence "and all expenses that may have been incurred by the  
Company because of such non-payment "
- 1 6 Regulation 78 of Table A shall be modified by deleting the words " and may also  
determine the rotation in which any additional Directors are to retire"
- 1 7 Regulation 84 of Table A shall be modified by deleting the third and final  
sentences
- 1 8 Regulation 89 of table a shall be modified
- 1 8 1 by the deleting the words " may be fixed by the Directors and unless so fixed at  
any other number " in the first sentence, and
- 1 8 2 by the adding the following as a new final sentence "in the event that a meeting  
of the Directors is attended by a Director who is acting as alternate for one or  
more other Directors, the Director or Directors for whom he is the alternate shall  
be counted in the quorum despite their absence and if on that basis there is a  
quorum, the meeting may be held despite the fact that only one Director is  
physically present "
- 1 9 Regulation 101 of Table A shall be modified by adding the words " if the  
Company has one," after the words "the seal" at the beginning of that Regulation  
The following sentence shall also be added to that Regulation "Any instrument  
expressed to be executed by the Company and signed by two Directors, or by one  
Director and the Secretary, by the authority of the Directors or of a committee  
authorised by the Directors shall (to the extent permitted by the Act) have effect  
as if executed under seal "
- 1 10 The Company is a private company and accordingly no offer shall be made to the  
public (whether for cash or otherwise) of any shares in or debentures of the  
Company and no allotment or agreement to allot (whether for cash or otherwise)  
shall be made of any shares in or debentures of the Company with a view to all or  
any of those shares or debentures being offered for sale to the public



1 11 In these Articles, words importing a gender include every gender and references to persons shall include bodies corporate, unincorporated associations and partnerships

1 12 Words and expressions defined elsewhere in these Articles shall bear the meanings thereby ascribed to them

1 13 The headings in these Articles shall not affect their construction or interpretation

## **2. SHARE CAPITAL**

2 1 The authorised share capital of the Company is £1,000,000 divided into 1,000,000 Ordinary Shares

2 2 The rights attaching to the Shares are set out below

2 2 1 Income the holders of the Shares shall be entitled to such dividends as may be declared thereon ,

2 2 2 Voting the holders of the Shares shall be entitled to receive notice of and to attend and vote at general meetings of the Company in accordance with Article 10, and

2 2 3 Capital on a return of surplus assets on a winding up or otherwise (other than on a conversion, redemption or purchase of shares) the holders of the Shares shall be entitled to be paid out the amount paid upon such Shares and if such assets shall be insufficient to repay the said amounts in full they shall be applied rateably, so that the loss shall fall upon the holders of the Shares in proportion to the amounts called up on such Shares respectively, and no holder of the Shares shall be entitled to have any call made upon the holder of any share of the same or any other class of share in the capital of the Company for the purpose of adjusting his rights, but where any call has been made and has been paid by some of the holders of the Shares such call shall be enforced against the remaining holders of the Shares for the purpose of

adjusting the rights of the members between themselves, provided always that the provisions hereof shall be subject to the rights of the holders of shares (if any) issued upon special conditions. If the surplus assets shall be more than sufficient to pay to the holders of the Shares the whole amounts paid upon their shares, the balance shall be apportioned among all holders of the Shares rateably according to their respective holdings of such shares.

### **3. ALLOTMENT OF SHARES**

3 1 The Directors may unconditionally exercise the power of the Company to allot relevant securities (within the meaning of Section 80(2) of the 1985 Act)

3 2 The general authority conferred by this Article shall

3 2 1 extend to all relevant securities of the Company from time to time unissued during the currency of such authority (including any relevant securities hereafter created),

3 2 2 expire on the fifth anniversary of the date of the adoption of these Articles unless varied or revoked or renewed by the Company in General Meeting, and

3 2 3 entitle the Directors to make at any time before the expiry of such authority any offer or agreement which will or may require relevant securities to be allotted after the expiry thereof

3 3 Subject to and without prejudice to the generality of the provisions of this Article 3 any shares unissued at the date of the adoption of these Articles and any shares hereafter created shall be under the control of the Directors who may allot, grant options over or otherwise deal with or dispose of the same to such persons (including the Directors themselves) on such terms and in such manner as they think fit, provided that no shares shall be issued at a discount

3 4 In accordance with Section 91(1) of the 1985 Act Sections 89(1) and 90(1) to (6) inclusive of the 1985 Act shall be excluded from applying to the Company.

3 5 Subject to the provisions of the Act, any Shares may, with the sanction of a Special Resolution, be issued on terms that they are or, at the option of the Company, are liable to be redeemed

#### **4. LIEN**

4 1 The Company shall have a first and paramount lien on every Share (whether or not it is a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share and the Company shall also have a first and paramount lien on all shares (whether fully paid or not) standing registered in the name of any member whether solely or one of two or more joint holders for all moneys presently payable by him or his estate to the Company; but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to all dividends payable thereon

4 2 All Shares to be sold in the enforcement of the Company's lien or rights of forfeiture shall be offered in accordance with Article 8 (Compulsory Transfer) as if a Transfer Notice were deemed to have been given in respect of such Shares

#### **5. TRANSFER OF SHARES**

5 1 The Board shall not register the transfer of any Share or any interest unless the transfer

5 1 1 is permitted by Article 6 (Permitted Transfers), or

5 1 2 is made in accordance with Article 7 (Voluntary Transfers), or

5 1 3 is made in accordance with Article 8 (Compulsory Transfers)

5 2 For the purpose of ensuring that a particular transfer of Shares lodged for registration is permitted under, or made in accordance with, these Articles, the Board may require the transferor or transferee named in that transfer to provide such information and/or evidence as the Board may reasonably think necessary or relevant. If such information and/or evidence is not provided to the satisfaction of the Board within 28 days after a request for it (or the first in a series of requests), the Board may refuse to register the transfer in question.

5 3 The Board may, in its absolute discretion and without giving any reason, refuse to register any transfer of any Share which would otherwise be permitted under, or made in accordance with, these Articles if it is a transfer

5 3 1 of a Share on which the Company has a lien, or

5 3 2 of a Share which is not fully paid to a person of whom they do not approve

5 4 An obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or other encumbrance

5 5 Regulations 23 and 28 shall be modified to reflect the provisions of this Article 5 and Articles 6, 7 and 8

## 6. PERMITTED TRANSFERS

6 1 For the purposes of this Article and Article 7

### **“Family Member”**

means, in relation to a Member, any of his or her spouse (or widow or widower), children and grandchildren (including step and adopted children and grandchildren),

### **“Family Trust”**

means, in relation to a Member, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that Member and/or any family

member and under which no power of control over the voting powers conferred by any Shares the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such Member and/or any family member,

**“A Member of the Same Group”** means, in relation to a Member, a company which is for the time being a holding company of that Member or a subsidiary of that Member or of any holding company of which that Member is also a subsidiary,

**“Permitted Transfer”** means any transfer of Shares permitted under this Article 6,

**“Relevant Shares”** means, in relation to a Member any Shares for the time being held by that Member or his family members or trustees of his family trust; and

**“Settlor”** includes a testator or an intestate in relation to a family trust arising under a testamentary disposition or the intestacy of a deceased Member respectively

6 2 Subject to Articles 6 3 and 6 4, any Member who is an individual may at any time transfer Shares held by him

6 2 1 to a Family Member, or

6 2 2 to trustees to be held under a Family Trust, or

6 2 3 in the case of GJH only, by his personal representatives under any will or intestacy to a Family Member, or

6 2 4 under the Option Agreement

6 3 For the purposes of Article 6 2, **“Member”** does not include

6 3 1 a bankrupt or a trustee in bankruptcy,

6 3 2 a trustee of a Family Trust, or

6 4 Where Shares are held by trustees under a Family Trust

6 4 1 such Shares may, on any change of trustees, be transferred to the new trustees of that Family Trust,

- 6 4 2 such Shares may at any time be transferred to the settlor or to any person to whom the settlor could have transferred them under Article 6 2 if he had remained the holder of them, and
- 6 4 3 if and whenever any such Shares cease to be held under a Family Trust (other than by virtue of a transfer made under Article 6.4.2), the trustees shall forthwith give a Transfer Notice (as defined in Article 7 1) in respect of the relevant Shares and in any event within 28 days of the Shares ceasing to be so held
- 6 5 If any Family Member who has acquired Shares from a Member pursuant to a Permitted Transfer (including under a distribution by the trustees of a Family Trust) ceases to bear the relationship to that Member by which the transfer qualified as a Permitted Transfer, that Family Member shall forthwith transfer the relevant Shares back to that Member for such consideration as they may agree or, in default of agreement within 28 days of the cessation, for the consideration for which that Family Member acquired them
- 6 6 Any Member which is a body corporate (apart from the trustee) may at any time transfer all or any Shares held by it to a member of the same group
- 6 7 Where Shares have been transferred under Article 6 6 (whether directly or by a series of such transfers) from a Member (the "**Transferor**" which expression shall not include a second or subsequent transferor in such a series of transfers) to a member of the same group (the "**Transferee**") and subsequently the Transferee ceases to be a member of the same group as the Transferor, the Transferee shall forthwith transfer the relevant Shares to the Transferor for such consideration as they may agree or, in default of agreement within 28 days of the cessation, for the consideration for which the Transferees acquired them
- 6 8 A Member may transfer Shares to any person at any time with the prior written consent of all the other Members
- 6 9 A transfer of any Share pursuant to this Article 6 shall only be treated as a permitted transfer for the purposes of these Articles if it is a transfer of the entire legal and beneficial interest in such share, free from any lien, charge or other encumbrance (save for any interest of beneficiaries under the relevant family trust, where applicable)
- 6 10 If the personal representatives of a deceased Member are permitted under these Articles to become registered as the holders of any of the deceased Member's Shares and elect to do so, such Shares may at any time be transferred by those personal representatives under Articles 6 2 and 6 5 and to any person to whom the deceased Member could have transferred such Shares under this Article if he had remained the holder of them, but no other transfer of such Shares by the personal representatives shall be permitted under this Article

## 7. VOLUNTARY TRANSFERS

- 7 1 Except as permitted under Article 6 (Permitted Transfers), any Member who wishes to transfer any Share (the "**Vendor**") shall, before transferring or agreeing to transfer such Share or any interest in it, give notice in writing of such wish to the Board (the "**Transfer Notice**")
- 7 2 In the Transfer Notice, the Vendor shall specify
- 7 2 1 the number of Shares which the Vendor wishes to transfer (the "**Sale Shares**");
- 7 2 2 the identity of the person (if any) to whom the Vendor wishes to transfer the Sale Shares,
- 7 2 3 the price per share at which the Vendor is prepared or has agreed to sell the Sale Shares (the "**Specified Price**"), and
- 7 2 4 whether the Vendor wishes to impose a condition to the effect that unless all of the Sale Shares are sold pursuant to the following provisions of this Article 7, none shall be so sold ("**a Total Transfer Condition**"), but in the absence of such a statement, the Transfer Notice shall be deemed not to contain a Total Transfer Condition
- 7 3 Each Transfer Notice shall
- 7 3 1 relate to one class of Shares only,
- 7 3 2 constitute the Company as the agent of the Vendor for the sale of the Sale Shares on the terms of this Article 7, and
- 7 3 3 save as provided in Article 7 6, be irrevocable
- 7 4 Subject to Article 7 22, the Sale Shares shall be offered for purchase in accordance with this Article 7 at a price per Sale Share (the "**Sale Price**"), agreed between the Vendor and the Board or, in default of agreement within 21 days after the date of service of the Transfer Notice, the lower of
- 7 4 1 the Specified Price, and
- 7 4 2 the price per share determined by the chartered accountant (the "**Expert**"), nominated in accordance with Article 7 19 1, to be the open market value of each Sale Share in accordance with Articles 7 18 to 7 20 (the "**Market Value**") as at the date of service of the Transfer Notice
- 7 5 For the purposes of this Article 7, the "**Determination Date**" shall be the date on which the Sale Price is agreed in writing between the Vendor and the Board or, if required under Article 7 4 2, the date the Board receives the Expert's written determination of the Market Value

- 7 6 Where the Expert has determined the Market Value under Article 7 4 2, the Vendor may revoke the Transfer Notice by written notice given to the Board within the period of 14 days after the Determination Date (such period being referred to as the "**Withdrawal Period**") if the Market Value is lower than the Specified Price
- 7 7 The Board shall offer the Sale Shares for purchase at the Sale Price to the Company (if lawfully able to acquire such Sale Shares) or failing acquisition by the Company, on a proportionate basis to all Members holding Shares (other than the Vendor and his Family Members and Family Trusts) (the "**First Offer**") within 30 days after the Determination Date or, if the Transfer Notice is capable of being revoked, within 14 days after the expiry of the Withdrawal Period
- 7 8 The First Offer shall be in writing and shall
- 7 8 1 specify the number of the Sale Shares,
- 7 8 2 specify the proportionate entitlement to the Sale Shares of each Member to whom it is made (assuming there will be competition for the Sale Shares to which it relates),
- 7 8 3 specify the Sale Price,
- 7 8 4 specify the identity of the person (if any) to whom the Vendor wishes to sell the Sale Shares,
- 7 8 5 state whether or not the Transfer Notice contained a Total Transfer Condition, and
- 7 8 6 invite each Member to whom it is made to state in writing within 28 days of the date the First Offer is despatched whether he is willing to purchase any, and if so how many, of the Sale Shares to which it relates
- 7 9 If
- 7 9 1 Members to whom the First Offer is made apply for any of the Sale Shares to which it relates within that 28 day period, the Board shall allocate those Sale Shares applied for in accordance with the applications save that if there are applications for more than the number of Sale Shares available, they shall be allocated to applicants in proportion (as nearly as possible but without involving fractions or allocating to any Member more Sale Shares than the maximum number applied for by him) to the number of Shares then held by them respectively If it is not possible to allocate some of the Sale Shares without involving fractions, then such shares shall be allocated amongst the applicants in such manner as the Board thinks fit
- 7 9 2 If and to the extent that the Sale Shares are not allocated pursuant to Article 7 9 1 above, there are any Sale Shares offered which have not been allocated the Company shall offer such shares to such other Members (other than the Vendor)



as have stated in writing their willingness to purchase all of the shares previously offered to them. This offer will invite the relevant members to state in writing the maximum number of shares they wish to purchase. If there are insufficient Sale Shares to meet the demand then the directors will allocate the Sale Shares pro-rata as nearly as may be in proportion to the number of relevant shares held or deemed to be held by the relevant Members. This further offer will remain open for a further period of 28 days. Thereafter, the Company shall continue to make offers on the same terms while any Member continues to state in writing his willingness to purchase all the shares offered to him.

- 7 10 If and to the extent that the Sale Shares are not allocated pursuant to the First Offer, the Board may, by written notice offer the Sale Shares not allocated pursuant to the First Offer for purchase at the Sale Price to any person or persons selected by the Board or, subject to the Act, to the Company (the "**Second Offer**") If any such person applies to purchase any such Sale Shares within 14 days of the date the Second Offer is despatched, the Board shall allocate such number of Sale Shares as it may in its absolute discretion decide.
- 7 11 If persons to whom the First Offer, and/or the Second Offer is made apply to purchase all of the Sale Shares (a "**purchaser**" or "**purchasers**"), the Board shall, within 7 days of the expiry of the last such Offer made, give notice in writing to the Vendor and to each purchaser specifying the name and address of each purchaser, the number of Sale Shares agreed to be purchased by him and the aggregate price payable for them (the "**Sale Notice**")
- 7 12 If the Transfer Notice did not contain a Total Transfer Condition and purchasers apply to purchase part only of the Sale Shares, the Board shall, within 7 days of the expiry of the last Offer made, give Sale Notices in respect of those Sale Shares for which purchasers have been found.
- 7 13 Completion of a sale and purchase of Sale Shares shall take place at the registered office of the Company within 7 days of the date of the Sale Notice and the Vendor shall, upon payment to the Vendor by each purchaser of the Sale Price in respect of those Sale Shares allocated to him, transfer such Sale Shares and deliver the relative share certificates.
- 7 14 If the Transfer Notice did not contain a Total Transfer Condition, the Vendor may, within 3 months after the expiry of the last Offer made, withdraw its Transfer Notice in respect of the unallocated Sale Shares.
- 7 15 If the Transfer Notice did contain a Total Transfer Condition, no offer or allocation of Sale Shares made by the Board pursuant to this Article may become unconditional until all of the Sale Shares have been allocated under any First Offer and/or Second Offer. If all of the Sale Shares are not so allocated, the Board shall forthwith give notice in writing of that fact to the Vendor and the Vendor may withdraw its Transfer Notice.
- 7 16 If a Vendor, having become bound to transfer any Sale Shares pursuant to this Article 7, fails to do so, the Board may authorise any person (who shall be

deemed to be the attorney of the Vendor for the purpose) to execute the necessary instrument of transfer of such Sale Shares and deliver it on his behalf. The Company may receive the purchase money for such Sale Shares and shall upon receipt (subject to such instrument being duly stamped) cause the purchaser to be registered as the holder of such Sale Shares. The Company shall hold such purchase money on behalf of the Vendor but shall not be bound to earn or pay interest on any money so held. The Company's receipt for such purchase money shall be a good discharge to the purchaser who shall not be bound to see to the application of it, and after the name of the purchaser has been entered in the register of Members in purported exercise of the power conferred by this Article 7 16, the validity of the proceedings shall not be questioned by any person.

- 7 17 If one or more purchasers are found for Sale Shares but through no fault of the Vendor, any purchase is not duly completed, the Board shall notify each purchaser in writing and if within 7 days of such notice, the purchaser or purchasers between them have not duly completed the purchase of any of the relevant Sale Shares, the Vendor shall be deemed to have served another Transfer Notice in respect of them and the procedure set out in this Article 7 shall be repeated in respect of them.
- 7 18 Without prejudice to the generality of Article 5 2, the Board may require to be satisfied that any Sale Shares being transferred by the Vendor pursuant to either Article 7 14 or Article 7 15 are being transferred under a bona fide sale for the consideration stated in the transfer and if not so satisfied (acting reasonably), may refuse to register the instrument of transfer.
- 7 19 If required to determine the Market Value under Article 7 4 2, the Expert shall
- 7 19 1 be the Company's auditor from time to time or such other firm of suitably qualified accountants as are appointed from time to time to such role by the Board,
- 7 19 2 act as an expert and not as an arbitrator and his written determination shall be final and binding on the Members, and
- 7 19 3 proceed on the basis that
- 7 19 3 1 subject to Article 7 19 3 2, the open market value of each Sale Share as at the date of service of the Transfer Notice shall be the sum which a willing purchaser would offer to a willing vendor of the Sale Shares,
- 7 19 3 2 there shall be taken into account any reduction in value which may be ascribed to the Sale Shares by reference to the size of the holding the subject of the Transfer Notice or because of any restrictions on the transferability of the Sale Shares; and
- 7 19 3 3 if any difficulty shall arise in applying either of the foregoing assumptions or bases, such difficulty shall be resolved by the Expert in such manner as he shall in his absolute discretion think fit.

7 20 The Company will use its best endeavours to procure that the Expert determines the Market Value within 21 days of being requested to do so

7 21 The costs and expenses of the Expert in determining the Market Value shall be borne as to one half by the Vendor and as to the other half by the purchasers pro rata according to the number of Sale Shares purchased by them unless

7 21 1 the Vendor revokes the Transfer Notice pursuant to Article 7 6, or

7 21 2 none of the Sale Shares are purchased pursuant to this Article 7,  
when the Vendor shall pay all such costs and expenses

## 8. COMPULSORY TRANSFERS

8 1 In this Article, a "**Relevant Event**" means

8 1 1 if the Board so resolves at any time, in relation to a Member being an individual

8 1 1 1 such Member becoming bankrupt, or

8 1 1 2 subject to Article to the provisions of Article 8 1 5, such Member dying, or

8 1 1 3 such Member suffering from mental disorder and being admitted to hospital or becoming subject to any court order as referred to in paragraph (c) of Regulation 81,

8 1 2 if the Board so resolves at any time, a Member making any arrangement or composition with his creditors generally,

8 1 3 if the Board so resolves at any time in relation to a Member being a body corporate

8 1 3 1 such Member having a receiver, manager or administrative receiver appointed over all or any part of its undertaking or assets;

8 1 3 2 such Member having an administrator appointed in relation to it, or

8 1 3 3 such Member entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction),

8 1 4 in relation to a Member, if such Member or any Family Member or any Family Trust of that Member attempts to deal with or dispose of any Share or any interest in it otherwise than in accordance with the provisions of Article 6 (Permitted Transfers), Article 7 (Voluntary Transfers) or this Article 8 (Compulsory Transfers),

- 8 1 5 in relation to a Member, if such Member does not give a Transfer Notice in respect of any Shares or transfer any Shares (as the case may be) within the period specified in Article 6 4 3, Article 6 4 or Article 6 7, and
- 8 1 6 in the case of an Employee Shareholder, such Employee Shareholder having ceased previously or ceasing to be a director or employee of the Company or the Group (a "Leaver") (which, for the avoidance of doubt, shall apply to a Leaver who has ceased to be a director or employee of the Company or the Group, prior to the date of adoption of these Articles)
- 8 2 Upon the happening of any Relevant Event, the Member in question and any other Member who has acquired Shares from him under a permitted transfer (directly or by means of a series of 2 or more permitted transfers) shall be deemed to have immediately given a Transfer Notice in respect of all the Shares as shall then be registered in the name of such Member(s) ("a Deemed Transfer Notice") which expression includes a Transfer Notice deemed given under Article 6 4 3
- 8 3 Where the Leaver is an Employee Shareholder who has ceased to be a director or employee of the Company or the Group prior to the date of adoption of these Articles, the date of the Deemed Transfer Notice shall be the date of adoption of these Articles
- 8 4 The Shares the subject of any Deemed Transfer Notice shall be offered for sale (subject to Article 8 7) in accordance with Article 7 as if they were Sale Shares in respect of which a Transfer Notice had been given save that
- 8 4 1 a Deemed Transfer Notice shall be deemed (subject to Article 8 3) to have been given on the date of the Relevant Event or, if later, the date of the first meeting of the Board at which details of the facts or circumstances giving rise to the Deemed Transfer Notice are tabled,
- 8 4 2 subject to Article 8 5, the Sale Price shall be a price per Sale Share agreed between the Vendor and the Board or, in default of agreement within 21 days after the date of the Deemed Transfer Notice, the Market Value,
- 8 4 3 a Deemed Transfer Notice shall be deemed not to contain a Total Transfer Condition,
- 8 4 4 a Deemed Transfer Notice shall be irrevocable,
- 8 4 5 if the Relevant Event is the death of a Member, his legal or personal representatives may give a Transfer Notice in respect of all the Shares as shall then be registered in the name of such Member at any time within 12 months of the Member's death failing which, on the expiry of such period, they will be deemed to have given a Transfer Notice in accordance with this Article
- 8 5 Where the Relevant Event gives rise to any Shares held by a Leaver being transferred, unless otherwise agreed by the Members holding not less than 65% of the Shares, the Sale Price shall be

8 5 1 where the Leaver is not a Bad Leaver, a price per Sale Share agreed between the Leaver and the Board or, in default of agreement within 21 days after the date of the Deemed Transfer Notice, the Market Value, or

8 5 2 where the Leaver is a Bad Leaver, the lower of the Market Value and the nominal value of the Sale Shares,

8 6 If a Member to which this Article 8 applies, having become bound to transfer any Shares pursuant to this Article 8, fails to do so, the Board may authorise any person (who shall be deemed to be the attorney of the defaulting Member for the purpose) to execute the necessary instrument of transfer of such Sale Shares and deliver it on his behalf. The Company may receive the purchase money for such Sale Shares (or if it is itself the buyer of such Sale Shares, deposit the purchase money into a separate designated account for such purpose) and (where applicable) shall upon receipt (subject to such instrument being duly stamped) cause the purchaser to be registered as the holder of such Sale Shares. The Company shall hold such purchase money on behalf of the Member but shall not be bound to earn or pay interest on any money so held. Where applicable, the Company's receipt for such purchase money shall be a good discharge to the purchaser who shall not be bound to see to the application of it, and after the name of the purchaser has been entered in the register of Members in purported exercise of the power conferred by this Article 8 6, the validity of the proceedings shall not be questioned by any person.

8 7 A Leaver's Sale Shares shall be offered in the following order of priority unless the Board shall agree otherwise

8 7 1 subject to due compliance with the Act, to the Company,

8 7 2 to any of the other existing Employee Shareholders, and

8 7 3 to any other person as approved by the Board

8 8 Where any Shares are transferred under this Article 8 the Sale Price payable for such Shares, unless otherwise agreed by the Board and save where such Sale Shares are to be acquired by the Company, shall be paid in 4 equal separate tranches every 6 months over a 24 month period with the first tranche being payable 6 months after the date of the Deemed Transfer Notice

## **9. FORFEITURE OF SHARES**

9 1 The following words shall be added after the words "shall pay" in Regulation 15 of Table A: "all expenses that may have been incurred by the Company by reason of such non-payment, and"

**10. PROCEEDINGS AT GENERAL MEETINGS**

- 10 1 There shall be added to the last sentence of Regulation 41 of Table A the words "and if at the adjourned Meeting a quorum is not present within half an hour from the time appointed for the Meeting, the Meeting shall be dissolved"
- 10 2 A poll may be demanded at any General Meeting by the Chairman or by any member present in person or by proxy and entitled to vote Regulation 46 of Table A shall be modified accordingly
- 10 3 In the case of an equality of votes at any General Meeting whether on a share of hands or on a poll the Chairman shall be entitled to a casting vote in addition to any other vote he may have
- 10 4 A proxy shall be entitled to vote on a show of hands and Regulation 54 of Table A shall be modified accordingly
- 10 5 Except when a Member is the duly appointed proxy of another Member no Member who has agreed to cast a vote in accordance with the directions of any other person, firm or company shall be entitled to be present or to vote on any question, either personally or by proxy, or to be reckoned in a quorum at any General Meeting without the consent in writing of the Directors and any Resolution passed at any such Meeting which would not have been passed but for the vote of a member cast in contravention of the provisions of this Article shall be null and void and of no effect Regulation 58 of Table A shall not apply to any vote cast in contravention of the provisions of this Article

**11. NUMBER OF DIRECTORS**

- 11 1 The number of Directors shall not be less than two nor more than 10 The Company may in General Meeting by Special Resolution from time to time vary the minimum number and/or the maximum number of Directors

## **12. DELEGATION OF DIRECTORS' POWERS**

12 1 The following words shall be added after the words "one or more directors" in Regulation 72 of Table A

"who shall have power unless the Directors direct otherwise to co-opt as a member or members of the committee for any specific purpose any person or persons although not being a Director of the Company"

## **13. APPOINTMENT DISQUALIFICATION AND REMOVAL OF DIRECTORS**

13 1 The Directors shall not be liable to retire by rotation

13 2 A Director shall not be required to hold any share qualification

13 3 The Company may by Ordinary Resolution appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director

13 4 The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the maximum number of Directors (if there be any maximum) is not exceeded

13 5 Without prejudice to the powers of the Company under Section 168 of the 2006 Act to remove a Director by Ordinary Resolution, the holder or holders for the time being of more than one half of the issued Ordinary Shares of the Company shall have the power from time to time and at any time to appoint any person or persons as a Director or Directors either as additional Directors or to fill any vacancy and to remove from office any Director (such removal shall be without prejudice to any claim such director may have for damages for breach of any contract of service between him and the Company) Any such appointment or removal shall be effected by an instrument in writing signed by the Member or Members making the

same or in the case of a Member being a company signed on its behalf by one of its Directors and shall take effect upon lodgement at the registered office of the Company or when tendered to a meeting of the directors or a general meeting of the Company

13 6 The office of a Director shall not be vacated if he shall for more than six consecutive months have been absent without permission of the Directors from meetings of the Directors held during that period and he has appointed an alternate Director who has not been similarly absent during such period and Regulation 81 of Table A shall be modified accordingly

13 7 The office of Director shall be vacated if he becomes incapable by reason of illness or injury, of managing and administering his property and affairs and Regulation 81 of Table A shall be modified accordingly

13 8 The office of Director shall, in addition to the circumstances mentioned in Regulation 81 of Table A, be vacated if he is removed from office under paragraph 13 5 of this Article

#### **14. ALTERNATE DIRECTORS**

14 1 Regulation 66 shall be amended by the insertion between the words "shall" and "be" of the words "(subject to his giving the Company an address within the United Kingdom at which notice may be served upon him)"

14 2 A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum

14 3 If an alternate director is himself a director or attends any meeting as an alternate director for more than one director, his voting rights shall be cumulative but he shall only be counted once in deciding whether a quorum is present

#### **15. PROCEEDINGS OF DIRECTORS**

15 1 The quorum for the transaction of business of the Board shall be two directors

15 2 Any director or his alternate may validly participate in a meeting of the Board or a committee of the Board by conference telephone or other form of communication equipment such that all persons participating in the meeting are able to hear and



1  
speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the Chairman of the meeting then is

15.3 The Chairman of the Board shall have a second or casting vote at a meeting of the Board

15.4 A director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or proposed contract (within the meaning of section 317 of the Act) with the Company shall declare the nature of his interest at a meeting of the Board or of any committee of the Board in accordance with that section. Subject where applicable to such disclosure a director may vote at any such meeting on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company. Regulations 94 and 95 shall not apply.

15.5 The office of a director shall be vacated with immediate effect if both

15.5.1 he ceases to hold office as an employee of the Company or any subsidiary without being appointed or continuing to be an employee of another member of the Company's group, and

15.5.2 a majority of the Board so require

Regulation 81 of Table A shall be extended accordingly

## **16. NOTICES**

16.1 Any notice to be given to the Company pursuant to these Articles shall be sent to the registered office of the Company or presented at a meeting of the Board

16.2 Any notice to be given pursuant to these Articles may be given by facsimile transmission to the facsimile number maintained at the relevant address of the addressee. Such a notice shall be conclusively deemed to have been properly given at the time shown on the answerback or transmission report received by the sender

## **17. COMMUNICATIONS BY MEANS OF WEBSITE**

17.1 Subject to the provisions of the Companies Act 2006, a document or information may be sent or supplied by the Company to a person by being made available on a website

## 18. PROTECTION FROM LIABILITY

18 1 For the purposes of this Article a "Liability" is any liability incurred by a person in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or otherwise in connection with his duties, powers or office and "Associated Company" shall bear the meaning referred to in section 256 of the Companies Act 2006 Subject to the provisions of the Companies Act 2006 and without prejudice to any protection from liability which may otherwise apply

18 1 1 the directors shall have power to purchase and maintain for any director of the Company, any director of an Associated Company, any auditor of the Company and any officer of the Company (not being a director or auditor of the Company), insurance against any Liability, and

18 1 2 every director or auditor of the Company and every officer of the Company (not being a director or auditor of the Company) shall be indemnified out of the assets of the Company against any loss or liability incurred by him in defending any proceedings in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from any Liability

18 2 Regulation 118 in Table A shall not apply to the Company

## 19. "COME ALONG" RIGHT

19 1 If any one or more of the holders of the Shares (together the **"Selling Shareholders"**) wish to transfer any interest in more than 65 per cent of the issued equity shares where that transfer would result in a Change of Control the Selling Shareholders shall have the option (the **"Come Along Option"**) to require all the other holders of equity shares to transfer all their shares to the Third-party Purchaser or as it shall direct in accordance with this Article

19 2 The Selling Shareholders may exercise the Come Along Option by giving notice to that effect ("**a Come Along Notice**") to all other Shareholders ("**the Called Shareholders**") at any time before the registration of the transfer of the Shares held by the Selling Shareholders A Come Along Notice shall specify that the Called Shareholders are required to transfer all their Shares ("**the Called Shares**") pursuant to Article 19 1 to the Third Party Purchaser, the price at which the Called Shares are to be transferred (determined in accordance with Article 19 4) the proposed date of transfer (if known) and the identity of the Third Party Purchaser A Come Along Notice shall be deemed served upon the envelope containing it being placed in the post and Regulation 115 of Table A and Article 16 shall in the context of a Come Along Notice be amended accordingly and regulations 112 to 115 of Table A shall otherwise apply to the service of a Come Along Notice as if it were a notice to be given by the Company

- 19 3 A Come Along Notice may be revoked at any time prior to completion of the sale of the Called Shares and any such revocation notice shall be served as in Article 19 2
- 19 4 The Called Shareholders shall be obliged to sell the Called Shares at the price specified in the Come Along Notice which shall attribute an equal value to each Share to be sold by the Selling Shareholders
- 19 5 Completion of the sale of the Called Shares shall take place on the same date as the date of actual completion of the sale of the Selling Shareholders' Shares unless all of the Called Shareholders and the Selling Shareholders agree otherwise
- 19 6 Each Called Shareholder shall on service of the Come Along Notice be deemed to have irrevocably appointed each of the Selling Shareholders severally to be his attorney to execute any stock transfer and covenant for full title guarantee in respect of the Called Shares registered in the name of such Called Shareholders and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of his Called Shares pursuant to this Article 19 The rights of pre-emption and other restrictions contained in these Articles shall not apply on any sale and transfer of Shares by the Selling Shareholders or the Called Shareholders to the Third Party Purchaser named in a Come Along Notice in connection with the transfer contemplated by Article 19 1 and the Come Along Notice

## 20. "TAG ALONG" RIGHT

- 20 1 Notwithstanding any other provision in these Articles no sale or transfer or other disposition of any interest in equity share (the "**specified shares**") shall have any effect, if it would result in a Change of Control unless
- 20 1 1 the holders of more than 65 per cent of the issued equity shares in the Company consent in writing, and
- 20 1 2 before the transfer is lodged for registration the Third-party Purchaser has made a bona fide offer in accordance with this Article to purchase at the specified price (defined in Article 19 3) all the Shares held by Members
- 20 2 An offer made under Article 20 1 shall be in writing open for acceptance for at least 21 days, and shall be deemed to be rejected by any Member who has not accepted it in accordance with its terms within 28 days and the consideration thereunder shall be settled in full on completion of the purchase and within 30 days of the date of the offer
- 20 3 For the purposes of Article 20 1 the expression "**specified price**" means the higher of
- 20 3 1 a price per share equal to the highest price paid or payable by the Third-party Purchaser or persons acting in concert with him or connected with him for any

Shares within the last six months plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the specified shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the specified shares, and

20 3 2 a price per share equal to the issue price thereof plus a sum equal to any arrears or accruals of the dividends on such share grossed up at the rate of corporation tax then in force calculated down to the date the transfer is completed,

20 4 If any part of the specified price is payable otherwise than in cash any Member may require, as a condition of his acceptance of the offer made under this Article, to receive in cash on transfer all or any of the price offered for the Shares sold by him pursuant to the offer

20 5 If the specified price or its cash equivalent cannot be agreed within 21 days of the proposed sale or transfer referred to in Article 20.1 between the Third-party Purchaser and Members holding 80 per cent of the class of Shares concerned (excluding the Third-party Purchaser and persons who have waived their right to receive and offer), it may be referred to the Expert by any Member and, pending its determination, the sale, transfer or other disposition referred to in Article 20 1 shall have no effect