

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

NEW ERA HOLDINGS LIMITED (CRN: 03515883)

(Adopted by special resolution passed on 6 September 2023)

INTRODUCTION

1. INTERPRETATION

1.1 The following definitions and rules of interpretation apply in these Articles:

A Shares: the A ordinary shares of £0.10 each in the capital of the Company;

Available Profits: profits available for distribution within the meaning of part 23 of the Act;

Adoption Date: the date of adoption of these Articles;

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

Auditors: means the Company's auditors from time to time;

B Shares: the B ordinary shares of £0.10 each in the capital of the Company;

Board: means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles;

Business Day: any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

Chairperson: the chairperson of the Board from time to time appointed pursuant to Article 5. The Chairperson at the Adoption Date is Eileen Ainscough;

Companies Act or Act: the Companies Act 2006;

Company: means New Era Holdings Limited (company number 03515883);

connected: has the meaning given in section 1122 Corporation Taxes Act 2010;

Controlling Interest: a holding of Shares (or the right to exercise the votes attaching to Shares) which confer in the aggregate 50% or more of the total voting rights conferred by all the Shares in the capital of the Company for the time being in issue and conferring the right to vote at all general meetings;

D Shares: the D ordinary shares of £0.10 each in the capital of the Company;

Directors: the directors of the Company from time to time;

E Shares: the E ordinary shares of £0.10 each in the capital of the Company;

Eligible Director: means 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);

Encumbrance: any mortgage, charge (fixed or floating), pledge, lien, hypothecation, guarantee, trust, right of set-off or other third party right or interest (legal or equitable) including any assignment by way of security, reservation of title or other security interest of any kind, howsoever created or arising, or any other agreement or arrangement (including a sale and repurchase agreement) having similar effect;

Equity Shares: together the A Shares, B Shares, D Shares and E Shares (but not the Preference Shares);

Group Company: the Company, its Subsidiaries or Holding Companies from time to time and any Subsidiary of any Holding Company from time to time;

Issue Price: in respect of any Preference Share, the subscription price paid (or agreed to be paid) in respect of that Preference Share, including any share premium;

Model Articles: the model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229), as amended prior to the Adoption Date;

Preference Dividend: has the meaning given by Article 17.5;

Preference Shares: the redeemable cumulative preference shares of £1.00 each in the capital of the Company;

Sale Price: has the meaning given by Article 17.5;

Shareholder: a holder for the time being of any Share or Shares;

Shares: shares (of any class) in the capital of the Company and **Share** shall be construed accordingly;

Subsidiary and Holding Company: mean "subsidiary" and "holding company" as defined in section 1159 of the Companies Act and a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c), as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), whether by way of security or in connection with the taking of security, or (b) a nominee;

Transfer Notice: has the meaning given by Article 17.1.

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.

- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.6 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory 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.
- 1.8 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.

2. ADOPTION OF THE MODEL ARTICLES

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 2.2 Articles 8, 9(1) and (3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(1), 17(2), 18, 30, 38, 39, 44(2), 49, 52 and 53 of the Model Articles shall not apply to the company.
- 2.3 Article 7 of the Model Articles shall be amended by:
 - (a) the insertion of the words "for the time being" at the end of article 7(2)(a); and
 - (b) the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".
- 2.4 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 2.5 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2) of the Model Articles," after the words "the transmittee's name".
- 2.6 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".

DIRECTORS

3. NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of Directors shall not be subject to any maximum shall not be less than one.

4. PROCEEDINGS OF DIRECTORS

4.1 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 4.2 (subject to Articles 4.3, Article 4.4 and Article 4.6). All decisions made at any meeting of the Directors (or any committee of the Directors) shall be made only by resolution and, resolutions at any meeting of the Directors (or committee of the Directors) shall be decided by a simple majority of votes. If the Company only has one Director the general rule does not apply, and the Director may take decisions without regard to any of the provisions of this Article 4 relating to directors' decision-making.

4.2 A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter.

4.3 A decision taken in accordance with Article 4.2 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.

4.4 A decision may not be taken in accordance with Article 4.2 if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with Article 4.6.

4.5 Any Director may call a meeting of the Directors. At least five Business Days' advance notice in writing of each such meeting shall be given to each Director. The Directors may unanimously agree in writing to hold such meeting on shorter notice provided that the interests of the Company would not, in the reasonable opinion of a Shareholder, be likely to be materially adversely affected by the business being transacted at that meeting being dealt with urgently.

4.6 The quorum for any meeting (or part of a meeting, as the case may be) of the Directors shall be one Eligible Director. If the necessary quorum is not present within 30 minutes from the time appointed for the meeting, or if, during a meeting, such quorum ceases to be present, the meeting shall stand adjourned for five Business Days to the same time and place. If a quorum is not present at any such adjourned meeting within 30 minutes from the time appointed, then the Eligible Directors present at the meeting shall constitute a quorum and the meeting shall proceed to business.

5. CHAIRPERSON

If there is an equality of votes at a meeting of the Directors, the Chairperson (or other chairperson of the meeting) shall be entitled to a second or casting vote.

6. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

6.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the

Companies Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company:

- (a) may be a party to, or otherwise interested in, any 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 existing or proposed transaction or arrangement in which he is interested;
- (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- (d) may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested; and
- (f) shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

7. DIRECTORS' CONFLICTS OF INTEREST

- 7.1 The Directors may, in accordance with the requirements set out in this Article 7, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).
- 7.2 Any authorisation by the Directors of a Conflict under this Article may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
 - (c) provide that the Interested Director will or will not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;

- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent that they relate to such matters.

7.3 Where the Directors authorise a Conflict in accordance with this Article:

- (a) the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict; and
- (b) the Interested Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act, provided he acts in accordance with such terms and conditions (if any) as the Directors impose in respect of their authorisation.

7.4 The Directors may revoke or vary such authorisation at any time but this will not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.

7.5 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

8. 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 permanent form, so that they may be read with the naked eye.

9. APPOINTMENT AND REMOVAL OF DIRECTORS

9.1 Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director by a decision of the Directors.

9.2 Notwithstanding any other provisions of these Articles, the Shareholders by passing an ordinary resolution shall be entitled (at any time and from time to time) to remove a Director from office and to appoint another person in his place.

9.3 The removal of a director in accordance with Article 9.2 shall be without prejudice to any claim such a Director may have for damages for breach of any contract of service between him and the Company.

9.4 A person ceases to be a director as soon as:

- (a) that person ceases to be a Director by virtue of any provision of the Act or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that the that person has become physically or mentally incapable of acting as a Director and may remain so far more than three months;
- (d) notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms; or
- (e) if the Shareholders shall pass an ordinary resolution prompting a Director's removal in accordance with Article 9.2.

9.5 A person shall be capable of being appointed and continuing to hold office as a Director notwithstanding that he has attained the age of seventy or any other age and no special notice shall be required in relation to him appointment or reappointment.

9.6 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.

10. **ALTERNATE DIRECTORS**

10.1 Each Director shall have power from time to time to nominate any person approved by the Directors to act as his alternate director (**Alternate Director**) and at his discretion to remove such Alternate Director.

10.2 An Alternate Director shall (except as regards power to appoint an Alternative Director and remuneration) be subject in all respects to the terms and conditions existing with reference to the other Directors, and shall be entitled to receive notices of all meetings of the Directors and to attend, speak and vote at any such meeting at which his appointor is not present.

10.3 One person may act as an Alternate Director to more than one Director and, while he is so acting, shall be entitled to a separate vote for each Director he is representing and, if he is himself a Director, his vote or votes as an Alternate Director shall be in addition to his own vote.

10.4 Any appointment or removal of an Alternate Director may be made by letter or facsimile or in any other manner approved by the Directors. Any facsimile shall be confirmed as soon as possible by letter but may be acted upon by the Company forthwith.

10.5 If a Director making any such appointment as aforesaid shall cease to be a Director otherwise than by reason of vacating his office at a meeting of the Company at which he is re-elected, the person appointed by him shall thereupon cease to have any power or authority to act as an Alternate Director.

- 10.6 An Alternate Director shall not be taken into account in reckoning the number of Directors allowed for the time being but he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote.

11. SECRETARY

- 11.1 The Secretary shall be appointed by the Directors who may appoint two or more persons as Joint Secretaries and may also appoint one or more Assistant Secretaries.
- 11.2 Any appointment pursuant to Article 11.1 above shall be for such term, at such remuneration and upon such conditions as the Directors think fit and may be terminated by the Directors at any time.

SHARES AND DISTRIBUTIONS

12. SHARE CAPITAL

The issued share capital of the Company immediately following the Adoption Date is £2,000,100 divided into 280 A Shares, 250 B Shares, 250 D Shares, 220 E Shares and 2,000,000 Preference Shares.

13. LIMITATION OF LIABILITY OF SHAREHOLDERS

The liability of the Shareholders is limited to the amount, if any, unpaid on the Shares held by them.

14. DIVIDENDS

- 14.1 In respect of any financial year, the Available Profits of the Company shall be used to pay dividends as set out in this clause.
- 14.2 The Company shall, without need for a resolution of the Directors or the Company in general meeting and before application of any Available Profits to reserves or making a dividend in respect of any Equity Share, pay in respect of each Preference Share a fixed cumulative preferential dividend (**Preference Dividend**) at an annual rate of 7% of the Issue Price of that Preference Share to the person registered as its holder on the due date (such date determined in accordance with this Article 14).
- 14.3 Subject to Article 14.9, the Preference Dividend shall be paid by no later than the date falling 20 Business Days from the end of the financial year to which it relates.
- 14.4 The Company shall not declare or pay any further dividend unless and until all arrears of the Preference Dividend have been paid.
- 14.5 Subject to the Act and these Articles:
- (a) the Board may apply any amount determined to be distributed as dividends in paying to the holders of the respective classes of Equity Shares dividends at such respective rate (if any) as is determined by the Company by ordinary resolution and so that a dividend or dividends may be declared on one or several classes of Equity Shares to the exclusion of any class or classes and that dividends may be declared at different rates on the respective classes of Equity Shares; and/or

- (b) the Directors may pay an interim dividend or dividends on one or several classes of Equity Shares to the exclusion of any class or classes of Equity Shares and may pay interim dividends at different rates on the respective classes of Equity Shares as it shall think fit.
- 14.6 Subject to the Act and these Articles, any dividend payable on the respective classes of Equity Shares may be elected, by the majority holder(s) of the nominal value of the class of Equity Share in question, to be paid as follows:
 - (a) the dividend declared on any A Share (if any) may be paid by the Company in Sterling or Euros;
 - (b) the dividend declared on any B Share (if any) may be paid by the Company in Sterling or United States Dollars;
 - (c) the dividend declared on any D Share (if any) may be paid by the Company in Sterling or Canadian Dollars;
 - (d) the dividend declared on any E Share (if any) may be paid by the Company in Sterling or Swiss Francs.
- 14.7 Each dividend shall be distributed to the Shareholders pro rata according to the number of Shares held by them respectively and shall accrue daily (assuming a 365 day year) as well after as before the commencement of a winding up. All dividends are expressed net and shall be paid in cash.
- 14.8 Unless the Company has insufficient Available Profits, the Preference Dividend shall, notwithstanding that such dividend is expressed to be cumulative, be paid immediately on the due date and shall become a debt due from the Company from the due date and if the Company fails to pay such Preference Dividend in full on such date, the unpaid element shall attract interest in accordance with Article 14.9(b).
- 14.9 If, as a result of not having sufficient Available Profits to pay the same, the Company is not lawfully permitted to pay the Preference Dividend in full on the due date, it shall pay the Preference Dividend to the extent it is lawfully able to do so. The unpaid amount shall:
 - (a) be a debt due from the Company; and
 - (b) accrue interest daily (assuming a 365 day year) at the rate of 5% above the base lending rate of Barclays Bank plc in respect of the period from the due date to the actual date of payment (both dates inclusive) and such interest shall, to the extent outstanding for the time being and, to the extent the Company has sufficient Available Profits, be paid on the date of payment of the Preference Dividend in respect of which the relevant interest accrues.
- 14.10 If the Company is in arrears in paying the Preference Dividend, the first Available Profits arising shall be applied in or towards paying off any arrears of Preference Dividend (including interest).
- 14.11 The Company shall procure that the profits of any Subsidiary of the Company available for distribution shall from time to time (and to the extent lawful), be paid by way of dividend to the Company (or, as the case may be, the relevant Subsidiary that is its immediate holding company)

to the extent necessary to permit lawful and prompt payment by the Company of the Preference Dividend.

15. CAPITAL

15.1 On a return of assets on liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the Company remaining after the payment of or provision for its liabilities shall be applied (to the extent that the Company is lawfully able to do so) in the following order of priority:

- (a) first, in paying to the holders of the Preference Shares in respect of each Preference Share held the Issue Price of that Preference Share, together with a sum equal to any arrears and accruals of the Preference Dividend in respect of that Preference Share calculated down to (and including) the date of the return of capital and, if there is a shortfall of assets remaining to satisfy such payments in full, the proceeds shall be distributed to the holders of the Preference Shares pro rata to the aggregate amounts due under this Article 15.1(a) to each such Preference Share held; and
- (b) thereafter, in distributing the balance among the holders of the Equity Shares pro rata to the number of Equity Shares held, as if they all constituted shares of the same class.

16. TRANSFERS OF SHARES: GENERAL

- 16.1 In these Articles reference to the transfer of a Share includes the transfer or assignment 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.
- 16.2 No Share may be transferred unless the transfer is made in accordance with these Articles and the Board shall refuse to register any transfer of Shares made in contravention of the provisions of these Articles.
- 16.3 Any transfer of a Share by way of sale that is required to be made under Article 17 shall be deemed to include a warranty that the transferor sells the Shares with full title guarantee free from all Encumbrances.
- 16.4 For the purpose of determining whether or not there has been any disposal of Shares (or any interest in Shares) in contravention of the provisions of these Articles, the Directors may require any Shareholder, or the legal personal representatives of any deceased Shareholder, or any person named as transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose, to provide the Company with such information and evidence that the Directors request regarding any matter which they deem relevant to that purpose.
- 16.5 In addition to the provisions of model article 26, and notwithstanding any other provision of these Articles, the Directors may refuse to register a transfer if it is a transfer of a share to any minor, undischarged bankrupt, trustee in bankruptcy or person of unsound mind. Model article 26 shall be modified accordingly.
- 16.6 If, in relation to a transfer of a Share, the transferor thereof is a party to any agreement between the Company and some or all of its Shareholders (being an agreement additional to these Articles)

or if a new Share is proposed to be allotted to a person who is not a Shareholder, then the Directors may:

- (a) require the transferee or proposed allottee (as the case may be) to enter into a written undertaking (in such form as the Directors may prescribe) to be bound by the provisions of such agreement; and
- (b) decline to register the transfer of, or to allot, such Share unless and until the transferee or proposed allottee has entered into such written undertaking.

16.7 No Preference Share shall be transferred to any person other than in accordance with Article or otherwise with the prior consent of the Board evidenced in writing.

17. TRANSFER OF SHARES

17.1 Other than in the case of a transfer pursuant to Article 17.15 any member wishing to dispose of any of his Shares or who is required to dispose of his Shares pursuant to Article 17.3 (**Transferor**) shall give notice in writing (**Transfer Notice**) to the Company that he wishes or is required to dispose of one or more of his Shares (**Relevant Securities**).

17.2 A Transfer Notice other than one required to be given pursuant to Article 17.3 may provide that unless all the Relevant Securities are sold in accordance with Article 17.7 then none of them shall be sold (**Total Transfer Condition**).

17.3 If any employee or any Director owning shares in the Company ceases to be an employee or Director then (if requested in writing by the Board to serve a Transfer Notice in respect of his shares):

- (a) the said member (**Ex-Employee**) shall be deemed to have served a Transfer Notice in respect of his entire holding of shares forthwith upon such cessation; and
- (b) the Ex-Employee shall additionally be deemed to have served a Transfer Notice in respect of any shares after acquired in pursuance of any rights or interests he may have or acquire; and
- (c) any Transfer Notice deemed to have been given pursuant to paragraphs (a) and (b) above shall not be subject to a Total Transfer Condition and notwithstanding Article 17.10 shall not be capable of being revoked or withdrawn by the Ex-Employee or in any circumstances.

17.4 Every Transfer Notice shall (as well as specifying the number of Relevant Securities to be transferred) be accompanied by the relevant certificates for the Relevant Securities and every Transfer Notice shall contain a statement constituting the Company as the Transferor's agent for the sale of the Relevant Securities at a price to be determined in accordance with Article 17.5 (**Sale Price**).

17.5 The Sale Price of the Relevant Securities shall (save in accordance with a sale pursuant to Article 17.8) be either the price per share agreed between the Transferor and the Directors within 15 days of the service of the Transfer Notice or (in default of agreement within such period) such price as the Auditors shall on the application of any member certify in writing (**Auditor's Certificate**) to be the fair value thereof per share taking into account (where relevant):

- (a) the aggregate consideration which in their opinion a willing buyer would offer to a willing seller on the open market for the whole of the issued share capital of the Company and (for the avoidance of doubt) no discount shall be applied by reason of the holding being a minority holding; and
 - (b) the past and current performance of the Company and in so certifying the Auditors shall be considered to be acting as experts and not as arbitrators with regard to their determination.
- 17.6 Save in respect of a transfer of Relevant Securities pursuant to Article 17.3 the Transferor may within 5 days of receipt the Auditors' Certificate withdraw any Transfer Notice by notice in writing.
- 17.7 Within 7 days of the Sale Price being agreed or determined (as the case may be) in accordance with Article 17.5 the Board shall give notice (**Offer Notice**) in writing to the appropriate persons (**Proposed Transferees**) in accordance with the following provisions specifying the Sale Price and the number of Relevant Securities to be sold:
 - (a) the Company shall first offer the Relevant Securities for sale to the members (other than the Transferor) in their existing shareholding ratios such offer (**First Offer**) remaining open for a period of 15 days from the date of the Offer Notice;
 - (b) in the event that there still remain any Relevant Securities unaccepted at the expiry of the time for acceptance of the First Offer the Company shall again offer such remaining shares to any member advising the Company of its willingness to purchase such shares (and if more than one in their shareholding ratios) such offer (**Second Offer**) remaining open for a period of 10 days from the date of the Second Offer;
 - (c) if the number of Relevant Securities comprised in an Offer Notice is not such so as to enable them to be offered pro-rata to the Proposed Transferees exactly then to the extent that such shares are incapable of being offered pro-rata they shall be offered at the Sale Price individually to such Proposed Transferees by the drawing of lots.
- 17.8 If the Company shall not find a Transferee or Transferees for all the Relevant Securities before the expiry of the stipulated time for acceptance set out in the Second Offer it shall so notify the Transferor in writing and the Transferee shall (except where the Transfer Notice contains a Total Transfer Condition) be at liberty within a period of 3 months from receipt of such notification to transfer such of the Relevant Securities comprised in a Transfer Notice which have not been transferred in accordance with the foregoing provisions to any person at a price not less than the Sale Price.
- 17.9 Save where a Transfer Notice contains a Total Transfer Condition and part of the Relevant Securities remain unaccepted at the expiry of the time for acceptance of the Second Offer, the Transferor shall be bound upon payment of the Sale Price to transfer such shares to the Proposed Transferees in accordance with Article 17.7 above.
- 17.10 Save as provided in Article 17.6 a Transfer Notice shall not be revocable except with the sanction of the Board.

- 17.11 The reasonable costs of the Auditors in determining the Sale Price shall be borne by the Company, if the Transfer Notice is withdrawn the reasonable costs of the Auditors shall be paid by the Transferor.
- 17.12 If the Transferor, having become bound to transfer the Relevant Securities as aforesaid makes default in transferring any of the same, the Company may receive the purchase money tendered by the Proposed Transferee upon trust for the Transferor and any officer of the Company may act as the Transferor's agent for the purposes of effecting the transfer and shall thereupon perfect the transfer of the Relevant Securities in favour of the Proposed Transferee.
- 17.13 The receipt of the Company for the purchase money shall be a good discharge to Proposed Transferee and after his name has been entered on the Register of Members (**Transferee**) the validity of the proceedings shall not be questioned by any person.
- 17.14 In the case of a sale to a third party pursuant to Article 17.8 above the Directors may require to be satisfied in such manner as they may reasonably think fit that such shares are being transferred in pursuance of a bona fide sale at such a price being no less than the Sale Price and the Directors, if not so satisfied, may refuse to register or to approve the Transfer.
- 17.15 The Directors shall register the transfer or transmission of any share:
- (a) to a member's immediate family or a deceased member's immediate family;
 - (b) to the trustees of a trust created by a member, either by Deed or Will, or, should there be any change in the trustees to such trust, by the existing trustees to the new trustees, provided that the beneficiaries of the said share consist of a member of the Company or his immediate family;
 - (c) by the trustees for the time being of any trust as defined in paragraph (b) above, to the beneficiaries of the said share, provided that such beneficiaries consist of a member of the Company or his immediate family;
 - (d) to the legal personal representatives of a deceased member, provided that those persons entitled by law to be the beneficiaries of such share are members of a deceased member's immediate family;
 - (e) by the legal personal representatives of a deceased member to the deceased member's immediate family.

The words "immediate family" shall mean the husband, wife, widow, widower, parent or other lineal descendant of a member or deceased member, including, as the case may be, those related by adoption.

- 17.16 Save in respect of transfers pursuant to Articles 17.8, 17.9, 17.12 and 17.15 the Directors shall decline to register any transfer in contravention of any of the provisions of Articles 17.1 to 17.15.

18. REDEMPTION OF PREFERENCE SHARES

- 18.1 The Preference Shares shall, subject to the Act, be redeemed as follows:

- (a) to the extent not redeemed earlier, the Company shall redeem the Preference Shares on 31st August 2033; and
 - (b) notwithstanding Article 18.1(a) the Company may in accordance with this Article 18 redeem such number of Preference Shares as it may determine.
- 18.2 Where Preference Shares are to be redeemed in accordance with Article 18.1(b), the Company shall give to the holders of the Preference Shares falling to be redeemed prior notice in writing of the redemption (**Company Redemption Notice**). The Company Redemption Notice shall specify the particular Preference Shares to be redeemed and the date fixed for redemption and shall be given not less than 20 Business Days prior to the date fixed for redemption.
- 18.3 If the Company is unable, because of having insufficient Available Profits, to redeem in full the relevant number of Preference Shares on the date fixed for redemption, the Company shall redeem as many of such Preference Shares as can lawfully and properly be redeemed and the Company shall redeem the balance as soon as it is lawfully and properly able to do so.
- 18.4 If the Company is at any time redeeming less than all the Preference Shares from time to time in issue, the number of Preference Shares to be redeemed shall (unless otherwise agreed in writing between the Company and all of the holders of Preference Shares then in issue) be apportioned between those holders of the Preference Shares then in issue pro rata according to the number of Preference Shares held by them respectively at the date fixed for redemption.
- 18.5 On the date fixed for redemption, each of the holders of the Preference Shares falling to be redeemed shall be bound to deliver to the Company, at the Company's registered office, the certificate(s) for such Preference Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) in order that the same may be cancelled. Upon such delivery, the Company shall pay to the holder (or, in the case of any joint holders, to the holder whose name stands first in the Company's register of members in respect of such Shares) the amount due to it in respect of such redemption against delivery of a proper receipt for the redemption monies.
- 18.6 If any certificate delivered to the Company pursuant to Article 18.5 includes any Preference Shares not falling to be redeemed on the date fixed for redemption, a new certificate in respect of those Preference Shares shall be issued to the holder(s) thereof as soon as practicable thereafter (and, in any event, within 20 Business Days thereafter).
- 18.7 There shall be paid on the redemption of each Preference Share an amount equal to:
 - (a) the Issue Price thereof; and
 - (b) all accruals and/or unpaid amounts of Preference Dividend in respect thereof, calculated down to and including the date of actual payment,and such aggregate amount shall, subject to the Company having Available Profits or other monies which may be lawfully applied for such redemption, at that time become a debt due from and immediately payable by the Company to the holders of such Preference Shares. If and to the extent that the debt so constituted is not paid in full on the due date, the unpaid amount shall carry

interest at the rate specified in Article 14.9(b) in respect of the period from and including the due date down to and including the date of actual payment.

- 18.8 If the Company is unable to pay the amounts referred to in Article 18.7 in full on a date fixed for redemption by reason of having insufficient Available Profits or not having other monies which may be lawfully applied for such redemption, then the amount so unpaid shall be increased by an amount equal to the interest which would have accrued had interest on the unpaid amount been charged at the rate specified in Article 14.9(b) in respect of the period from and including the due date down to and including the date of actual payment and shall be paid as soon thereafter as, and to the extent that, Available Profits or other monies that may lawfully be applied for such redemption have arisen.
- 18.9 If the Company fails or is unable to redeem any of the Preference Shares in full on the date due for redemption for any reason whatsoever, all Available Profits (or other monies which may lawfully be applied for the purpose of redeeming Preference Shares) shall be applied:
- (a) first, in or towards paying off all arrears and accruals of Preference Dividend; and
 - (b) second, in or towards redeeming all Preference Shares which have not been redeemed on or by the due date for redemption in accordance with this Article 18.

DECISION MAKING BY SHAREHOLDERS

19. GENERAL MEETINGS

- 19.1 No business is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 19.2 The Chairperson shall chair general meetings. If there is no Chairperson in office for the time being, or the Chairperson is unable to attend any general meeting, the Directors present, must appoint one of their number present (or, if no Directors are present a Shareholder) to chair the meeting and the appointment of the chairperson of the meeting must be the first business of the meeting.
- 19.3 One qualifying person present at a general meeting (to include the Founder Shareholders) are a quorum.

20. VOTING

- 20.1 The Equity Shares shall confer on each holder thereof (in that capacity) the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on written resolutions and on a poll or written resolution to exercise one vote per Share.
- 20.2 To avoid doubt, the Preference Shares do not confer on any respective holder thereof any the right to receive notice of or to attend, speak and vote at any general meetings of the Company.
- 20.3 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.

- 20.4 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.

21. PROXIES

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

22. LIEN

- 22.1 The Company has a lien over every Share which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.
- 22.2 The Company's lien over a Share:
- (a) takes priority over any third party's interest in that Share; and
 - (b) extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the company) the proceeds of sale of that Share.
- 22.3 The Directors may at any time decide that a Share which is or would otherwise be subject to the Company's lien shall not be subject to it, either wholly or in part.

23. ENFORCEMENT OF THE COMPANY'S LIEN

- 23.1 Subject to the provisions of this Article, if:
- (a) a lien enforcement notice has been given in respect of a Share; and
 - (b) the person to whom the notice was given has failed to comply with it,
 - (c) the Company may sell that Share in such manner as the Directors decide.
- 23.2 A lien enforcement notice:
- (a) may only be given in respect of a Share which is subject to the Company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
 - (b) must specify the Share concerned;

- (c) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
- (d) must be addressed either to the holder of the share or to a transmittee of that holder; and
- (e) must state the Company's intention to sell the Share if the notice is not complied with.

23.3 Where Shares are sold under this Article:

- (a) the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser; and
- (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

23.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:

- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice; and
- (b) second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificates, and subject to a lien equivalent to the Company's lien for any money payable (whether payable immediately or at some time in the future) as existed upon the shares before the sale in respect of all Shares registered in the name of such person (whether as the sole registered holder or as one of several joint holders) after the date of the lien enforcement notice.

23.5 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's lien on a specified date:

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
- (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.

ADMINISTRATIVE ARRANGEMENTS

24. NOTICES

24.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international

overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider); or

- (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address.

24.2 For the purposes of Article 24.1, no account shall be taken of any part of a day that is not a working day.

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

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 shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer in the actual or purported execution and/or discharge of his duties, or in relation thereto including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted, or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part, or in connection with any application in which the court grants him, in his capacity as a Relevant Officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs; and
- (b) the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 25.1 and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure.

25.2 This Article 25 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Act 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 25:

25.5 **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 other Group Company) or any pension fund or employees' share scheme of the Company (or other Group Company); and

25.6 **Relevant Officer** means any director or other officer of any Group Company.

APPENDIX Model Articles