

THE COMPANIES ACT 2006

ARTICLES OF ASSOCIATION

- of -

PORTA ROMANA LIMITED

Company Number: 03950316

A PRIVATE COMPANY LIMITED BY SHARES

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PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

PORTA ROMANA LIMITED

(Adopted by special resolution passed on 17 May 2022)

1. Model Articles

- 1.1. The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the '**Model Articles**') shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles.
- 1.2. Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended) ('**Table A**') shall not apply to the Company.
- 1.3. In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.
- 1.4. In these Articles:
 - 1.4.1. article headings are used for convenience only and shall not affect the construction or interpretation of these Articles;
 - 1.4.2. words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa;
 - 1.4.3. Articles 8(2), 9(4), 10(3), 11(2), 13, 14, 17(2), 17(3), 19, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 44(4), 51, 52 and 53 of the Model Articles shall not apply to the Company;
 - 1.4.4. reference to '**issued Shares**' of any class shall exclude any Shares of that class held as Treasury Shares from time to time, unless stated otherwise; and
 - 1.4.5. reference to the '**holders**' of Shares or a class of Share shall exclude the Company holding Treasury Shares from time to time, unless stated otherwise.

2. Definitions and Interpretation

- 2.1. In these Articles, unless the context otherwise requires, the following expressions shall have the following meanings:

Acting in Concert	has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time);
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Articles	means these articles of association of the Company as constituted under Article 1 (as amended from time to time);
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Asset Sale	means the disposal by the Company of all or substantially all of its undertaking and assets (where disposal may include, without limitation, the grant by the Company of an exclusive licence of
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	intellectual property not entered into in the ordinary course of business);
Associate	in relation to any person means: <ul style="list-style-type: none"> (a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined); and (b) any Member of the same Group.
Auditors	means the auditors of the Company from time to time;
B Ordinary Shares	means the B ordinary shares of £1.00 each in the capital of the Company;
Board	means the board of directors of the Company from time to time;
Business Day	means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday);
Call Option Shares	shall be as defined in Article 8.1.2
Civil Partner	means, in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder;
Companies Act	means the Companies Act 2006;
Company	Porta Romana Limited, a company incorporated and registered in England and Wales with company number 03950316 whose registered office is at Northbrook, Farnham, Surrey, GU10 5EU;
Company Value	means the equity value of the Company less the Liabilities at such time or any expectation that the Company will make payments in satisfaction of the Liabilities;
Completion	each completion of the exercise of a Put Option or Call Option as described in Article 8.6;
Consent	the prior written consent of the Trustee and Investor Members;
Controlling Interest	means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the CTA 2010;
Director	means a director of the Company from time to time;
Director Consent	the prior written consent of the Employee Director and the Investor Directors;
Employee	means an individual who is employed by or who provides consultancy services to, the Company or any member of the Group;
Employee Director	means an Employee appointed as a director of the Company in accordance with Article 4.6;

Encumbrance	means any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including without limitation any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law);
Exit	means a Share Sale, an Asset Sale or an IPO;
Family Trust	means, as regards any particular individual member or deceased or former individual member, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual; and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons;
Group	means the Company, any subsidiary or any holding company from time to time of the Company, and any subsidiary from time to time of a holding company of the Company and each company in the Group is a Group Company ;
Holding Company	means a holding company as defined by section 1159 of the Companies Act;
IPO	means the admission of all or any of the Shares or securities representing those shares (including without limitation depositary interests, American depositary receipts, American depositary shares and/or other instruments) on NASDAQ or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);
Investor Director	means a director appointed by the Investor Members in accordance with Article 4.7;
Investor Members	means each of the Andrew Hills and Sarah Hills;
Liabilities	means (i) the liabilities of the Trustee relating to the Porta Romana Employee Ownership Trust and (ii) the value of all outstanding Trustee Debt;

Member of the same Group	as regards any undertaking, means a company which is for the time being a Holding Company or a Subsidiary of that undertaking or a Subsidiary of any such Holding Company;
Model Articles	means the model articles for private companies limited by shares contained in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229), as at the date of adoption of these Articles;
New Securities	means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the date of adoption of these Articles (other than options to subscribe for Shares under any Share Option Plan);
Option Exercise Price	means in respect of any Option Shares, a rateable proportion of the Company Value at the date of the Exercise Notice to which the Option Shares relate without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to the Option Shares at the date of the Option Notice;
Option Notice	means a notice given in accordance with Article 8.3.1 or Article 8.4.1;
Option Seller	means a holder of B Ordinary Shares who has exercised the Put Option pursuant to Article 8.3 or to whom to Trustee has exercised the Call Option pursuant to Article 8.4;
Option Shares	means the Put Option Shares and the Call Option Shares or any of them;
Ordinary Shares	means the ordinary shares of £1.00 each in the capital of the Company;
Permitted Transfer	means a transfer in accordance with Article 12;
Permitted Transferee	means: <ul style="list-style-type: none"> (a) in relation to a Shareholder who is an individual: any of his or her Privileged Relations or Permitted Trustees; or (b) in relation to a Shareholder which is an undertaking (as defined in section 1161(1) of the Companies Act): any Member of the same Group;
Permitted Trustees	means in relation to a Shareholder means the trustee or the trustees of a Family Trust or a Trust;
Porta Romana Employee Ownership Trust	the Porta Romana Employee Ownership Trust set up pursuant to a Trust Deed dated 29 January 2021;
Privileged Relation	means in relation to a Shareholder who is an individual member or deceased or former member, means a spouse, civil partner, child or grandchild (including step or adopted or illegitimate child and their issue);

Proceeds of Sale	means the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale less any fees, costs and expenses payable in respect of such Share Sale as approved by Consent;
Proposed Purchaser	means a proposed purchaser who at the relevant time has made an offer on arm's length terms;
Put Option Shares	shall be as defined in Article 8.1.1;
SPA	means the sale and purchase agreement between the Trustee and the Investor Members in respect of the sale and purchase of the entire issued share capital of the Company dated 29 January 2021;
Sale Shares	shall be as defined in Article 13.2;
Seller	shall be as defined in Article 13.2;
Share Option Plan	means any share option plan of the Company, the terms of which have been approved by Consent.
Share Sale	means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons Acting in Concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale;
Shares	means the Ordinary Shares and the B Ordinary Shares in issue from time to time;
Shareholder	means any holder of any Shares from time to time;
Shareholder Communication	means any notice, resolution, document or information which the Company wishes or is required to communicate with Shareholders or other persons;
Subsidiary	means a subsidiary as defined by section 1159 of the Companies Act;
Tax	all forms of tax and statutory, governmental, state, federal, provincial, local, government or municipal charges, duties, imposts, contributions, levies, withholdings or liabilities wherever chargeable and whether of the UK or any other jurisdiction;
Transfer Notice	shall be as defined in Article 13.2;
Transfer Price	shall be as defined in Article 13.2;

Treasury Shares	means shares in the capital of the Company held by the Company as treasury shares from time to time within the meaning set out in section 724(5) of the Companies Act;
Trust	means a trust (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made) whereby a person shall be considered to be beneficially interested in a Share if such Share or the income thereof is liable to be transferred or paid or applied to or for the benefit of a person other than the Permitted Trustees or any voting or other rights attaching thereto are exercisable by or as directed by a person other than the Trustees pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons;
Trustee	means the holder of Ordinary Shares holding such Ordinary Shares as trustee for the Porta Romana Employee Ownership Trust; and
Trustee Debt	means the amount of outstanding consideration payable by the Trustee to the Investor Members pursuant to clause 3.1 of the SPA.

3. Alternate Directors

- 3.1. Any Director (other than an alternate director) (the appointor) may appoint any other Director or any other person whomsoever to be an alternate director and may remove from office an alternate director so appointed. Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the Directors.
- 3.2. An alternate director has the same rights, in relation to any Directors' meeting or Directors' written resolution, as the alternate's appointor.
- 3.3. Except as these Articles specify otherwise, alternate directors are:
 - 3.3.1. deemed for all purposes to be Directors;
 - 3.3.2. liable for their own acts and omissions;
 - 3.3.3. subject to the same restrictions as their appointors; and
 - 3.3.4. not deemed to be agents of or for their appointors.
- 3.4. An alternate director may be paid expenses as if they were a Director but shall not be entitled to receive from the Company any fee in their capacity as an alternate director except only such part (if any) of the remuneration otherwise payable to the Director appointing them as such Director may by notice in writing to the Company from time to time direct. An alternate director who is absent from the United Kingdom shall be entitled to receive notice of all meetings of the Directors and of all meetings of committees of Directors of which their appointor is a member at such address as they shall have notified to the secretary.
- 3.5. An alternate director's appointment as an alternate terminates:
 - 3.5.1. when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

- 3.5.2. on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director;
- 3.5.3. on the death of the alternate's appointor; or
- 3.5.4. when the alternate's appointor's appointment as a Director terminates.

4. Proceedings of Directors

- 4.1. The members of the Board on the date of adoption of these Articles shall be Andrew Hills, Sarah Hills, Alison Milam, Jacqueline Peacock and Timothy Powell. Board meetings will be held at intervals of not more than eight weeks and at least six Board meetings will be held in each calendar year.
- 4.2. Unless agreed with Consent, the number of Directors shall be not less than three and not more than five.
- 4.3. The quorum for Board meetings shall be:
 - 4.3.1. for so long as the Trustee Debt remains outstanding, two directors who must include an Investor Director; and
 - 4.3.2. at all other times, the presence of the Employee Director and at least one other Director.
- 4.4. The Directors shall appoint one of themselves to act as chairperson of each meeting of the Board. The first chairperson shall be Andrew Hill. For so long as the Trustee Debt remains outstanding, the Investor Directors shall have the sole right to appoint the chairperson. If the chairperson is unable to attend any meeting of the Board, the present Director(s) shall appoint another Director to act as chairperson of that meeting.
- 4.5. For so long as the Investor Directors are entitled to appoint the chairperson pursuant to Article 4.4, if the numbers of votes for and against a proposal at a meeting of the Board are equal, the chairperson shall have a casting vote. Where the Investor Directors cease to be entitled to appoint the chairperson pursuant to Article 4.4, the chairperson shall cease to have a casting vote.
- 4.6. The Managing Director of the Company for the time being shall be entitled but shall not be under any obligation to nominate one person to act as an Employee Director by notice in writing addressed to the Company from time to time. The Managing Director shall be entitled to remove the Employee Director so appointed at any time by notice in writing to the Company served at its registered office and appoint another person to act in his place. An appointment of an Employee Director will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the Directors. If an Employee Director ceases to be an Employee, he shall be removed from office from the date his or her employment ceases. The initial Employee Director shall be Alison Katherine Milam.
- 4.7. For so long as the Trustee Debt remains outstanding, the Investor Members shall be entitled to nominate two persons to act as Investor Directors by notice in writing addressed to the Company from time to time. The Investor Members shall be entitled to remove the Investor Directors so appointed at any time by notice in writing to the Company served at its registered office and appoint other persons to act in their place. An appointment of an Investor Director will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the Directors. After the Trustee Debt has been repaid, any Investor Directors appointed pursuant to this Article 4.7 shall cease to be designated as an Investor Directors but shall remain as Directors.

- 4.8. Each Employee Director and Investor Director shall be entitled at their request to be appointed to any committee of the Board established from time to time and to the board of directors of any Group Company.
- 4.9. The Company shall send to the Employee Director and Investor Directors (in electronic form if so required):
- 4.9.1. reasonable advance notice of each meeting of the Board (being not fewer than five Business Days) and each committee of the Board, such notice to be accompanied by a written agenda specifying the business to be discussed at such meeting together with all relevant papers; and
 - 4.9.2. as soon as practicable after each meeting of the Board (or committee of the Board) a copy of the minutes.
- 4.10. Save with Director Consent no business shall be transacted at any meeting of the Board (or committee of the Board) save for that specified in the agenda in Article 4.9.1.
- 4.11. The Company will reimburse the Employee Director and Investor Directors with the reasonable costs and out of pocket expenses incurred by them in respect of attending meetings of the Company or carrying out authorised business on behalf of the Company.
- 4.12. The Board may put in place such policies relating to remuneration of Employees and each Group Company as determined by the Board from time to time with Consent.

5. Directors' interests

- 5.1. Subject to the provisions of the Companies Act, and provided that he has declared to the Directors the nature and extent of his interest, a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting. Article 14 of the Model Articles shall not apply to the Company.

5.2. Specific interests of a Director

Subject to the provisions of the Companies Act, and provided that he has declared to the Directors the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind:

- 5.2.1. where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;
- 5.2.2. where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;
- 5.2.3. where a Director (or a person connected with him) is a shareholder in the Company or a shareholder in, employee, director, member or other officer of, or consultant to, a parent undertaking of, or a subsidiary undertaking of a parent undertaking of, the Company;

- 5.2.4. where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested;
- 5.2.5. where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested; or
- 5.2.6. where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this.

6. Share capital and rights

- 6.1. The issued share capital of the Company at the date of the adoption of these Articles is £1,000 divided into 1,000 Ordinary Shares.
- 6.2. Except as otherwise provided in these Articles, the Ordinary Shares and the B Ordinary Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares.
- 6.3. The Ordinary Shares:
 - 6.3.1. shall have voting rights in a shareholder meeting or resolution (either in person or by proxy);
 - 6.3.2. after the Trustee Debt has been repaid shall have the right to any dividend declared by the Company on the Ordinary Shares;
 - 6.3.3. after the Trustee Debt has been repaid shall have the right to participate in the proceeds on a winding up of the Company or on an Exit;
 - 6.3.4. are transferable; and
 - 6.3.5. are not redeemable.
- 6.4. The B Ordinary Shares:
 - 6.4.1. before 30 April 2026:
 - 6.4.1.1. shall have no voting rights in a shareholder meeting or resolution (either in person or by proxy);
 - 6.4.1.2. shall have no right to any dividend declared by the Company on the B Ordinary Shares;
 - 6.4.1.3. shall have no right to participate in the proceeds on a winding up of the Company or on an Exit;
 - 6.4.1.4. are non-transferable; and
 - 6.4.1.5. are not redeemable.
 - 6.4.2. on or after 30 April 2026:
 - 6.4.2.1. shall have voting rights in a shareholder meeting or resolution (either in person or by proxy);

- 6.4.2.2. after the Trustee Debt has been repaid shall have the right to any dividend declared by the Company on the B Ordinary Shares;
- 6.4.2.3. after the Trustee Debt has been repaid shall have the right to participate in the proceeds on a winding up of the Company or on an Exit;
- 6.4.2.4. are transferable; and
- 6.4.2.5. are not redeemable.

7. Return of capital and exit provisions

- 7.1. On a distribution of assets or a liquidation or a return of capital (other than a conversion, redemption or purchase of Shares), the surplus assets of the Company remaining after payment of its liabilities (the **Surplus Assets**) shall be applied (to the extent the Company is lawfully permitted to do so):
 - 7.1.1. first, in paying the Liabilities outstanding at the date of the distribution; and
 - 7.1.2. second, in distributing the balance among the holders of Shares pro rata (as if the Shares constituted one and the same class) to the number of Shares held.
- 7.2. On a Share Sale the Proceeds of Sale shall be distributed in accordance with Article 7.1 and the Directors shall not register any transfer of Shares if the Proceeds of Sale are not so distributed save in respect of any Shares not sold in connection with that Share Sale, provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale:
 - 7.2.1. the Directors shall not be prohibited from registering the transfer of the relevant Shares, so long as the Proceeds of Sale that are settled have been distributed in accordance with Article 7.1; and
 - 7.2.2. the Shareholders shall take any action required to ensure that the Proceeds of Sale in their entirety are distributed in accordance with Article 7.1.

In the event that the Proceeds of Sale are distributed on more than one occasion (for any deferred or contingent consideration or otherwise), the consideration so distributed on any further occasion shall be paid by continuing the distribution from the previous distribution of consideration in accordance with Article 7.1.

- 7.3. On an Asset Sale, the Surplus Assets shall be distributed (to the extent that the Company is lawfully permitted to do so) in accordance with Article 7.1, provided always that if it is not lawful for the Company to distribute its Surplus Assets in accordance with the provisions of these Articles, the Shareholders shall take any action required (including, but without prejudice to the generality of this Article 7.3, actions that may be necessary to put the Company into voluntary liquidation) so that Article 7.1 applies.
- 7.4. In the event of an Exit approved with Consent in accordance with the terms of these Articles (the '**Proposed Exit**'), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Exit ('**Actions**'). The Shareholders shall be required to take all Actions with respect to the Proposed Exit as are required by the Board to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this Article, the Company shall be constituted the agent of each defaulting Shareholder for taking such Actions as are necessary to effect the Proposed Exit, the Directors may authorise an officer or member to execute and deliver on behalf of such defaulting Shareholder the necessary documents, and the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders.

8. Put Options and Call Options

8.1. Grant of the Put Options and Call Options

- 8.1.1. The Trustee grants to each holder of B Ordinary Shares an option to require the Trustee to purchase the B Ordinary Shares held by such Shareholder ("**Put Option Shares**") subject to the terms and conditions set out in this Article 8 ("**Put Options**").
- 8.1.2. Each holder of B Ordinary Shares from time to time grants to the Trustee an option to purchase the Shares held by such Shareholder ("**Call Option Shares**") subject to the terms and conditions set out in this Article 8 ("**Call Options**").
- 8.1.3. The Option Shares shall be sold with full title guarantee free from all Encumbrances and with all rights attached to them at the date of completion of the option exercise in accordance with Article 8.6.

8.2. Option period

- 8.2.1. The Put Options may not be exercised before 30 April 2026.
- 8.2.2. The Call Options may only be exercised over B Ordinary Shares on or after 30 April 2026 if the holder of such Shares has ceased to be employed by the Company for any reason and has not previously exercised the Put Option.
- 8.2.3. For the purposes of this Article 8.2, the date of exercise of a Put Option or Call Option (as applicable), is the date on which the Option Notice is served pursuant to Article 8.3.1 or Article 8.4.1 (respectively).

8.3. Exercise of Put Option

- 8.3.1. A Put Option shall only be exercisable by the Option Seller giving the Trustee an Option Notice which shall include:
 - 8.3.1.1. the date on which the Option Notice is served and the intended date of completion of the sale of the Put Option Shares;
 - 8.3.1.2. a statement to the effect that the Option Seller is exercising the Put Option; and
 - 8.3.1.3. a signature by or on behalf of the Option Seller.
- 8.3.2. Once given, an Option Notice given in accordance with Article 8.3.1 shall constitute a binding commitment on the Option Seller to sell the Put Option Shares and the Trustee to purchase the Put Option Shares.
- 8.3.3. An Option Notice given in accordance with Article 8.3.1 may not be revoked without the written consent of the Trustee.

8.4. Exercise of Call Option

- 8.4.1. A Call Option shall only be exercised by the Trustee giving the Option Seller an Option Notice which shall include:
 - 8.4.1.1. the date on which the Option Notice is given and the intended date of completion of the sale of the Call Option Shares;
 - 8.4.1.2. a statement to the effect that the Trustee is exercising the Call Option; and
 - 8.4.1.3. a signature by or on behalf of the Trustee.

- 8.4.2. Once given, an Option Notice given in accordance with Article 8.4.1 shall constitute a binding commitment on the Trustee to purchase the Call Option Shares and on the Option Seller to sell the Call Option Shares.
- 8.4.3. An Option Notice given in accordance with Article 8.4.1 may not be revoked without the written consent of the Option Seller.
- 8.5. Purchase Price & Payment Terms
 - 8.5.1. Subject to Article 8.5.2, the purchase price payable on the exercise of a Put Option or Call Option (as the case may be) shall be the Option Exercise Price as agreed by the Trustee and Option Seller.
 - 8.5.2. If within seven days of the date of the Option Notice the Trustee and Option Seller fail to agree the Option Exercise Price for the Option Shares pursuant to Article 8.5.1, the Trustee or Option Seller may request the Board to instruct the Expert Valuer to determine the Option Exercise Price in accordance with Article 14.
 - 8.5.3. Payment of the Option Exercise Price shall be subject to the following conditions ("**Payment Conditions**"):
 - 8.5.3.1. following the payment of the Option Exercise Price (in full or part), together with any accrued interest and any stamp duty or stamp duty reserve tax payable in respect of the transfer of the Option Shares, the Company must have immediately available cash reserves of at least £500,000; and
 - 8.5.3.2. the Option Exercise Price shall only be paid if, at the date at Completion, payments of the Trustee Debt are up to date with the repayment schedule set out in schedule 7 of the SPA in accordance with clause 3.1 of the SPA.

If the Payment Conditions are not satisfied in full at Completion, the Company's obligation to pay the Option Exercise Price pursuant to Article 8.6.2.2 shall not apply until the Payment Conditions have been satisfied.
 - 8.5.4. Subject to Article 8.5.3, the Trustee shall be entitled at its discretion to determine the manner and timing of the payment of the Option Exercise Price payable in respect of a Put Option or Call Option subject to the following conditions:
 - 8.5.4.1. at Completion, the Trustee must make a minimum payment to the Option Seller equal to the amount of any Tax which the Option Seller may incur at Completion in relation to the sale of the Option Shares to the Trustee, such payment to be made prior to the date on which the Option Seller is required to make such payment in respect of Tax;
 - 8.5.4.2. any amount of the Option Exercise Price which remains unpaid at Completion will remain outstanding as an unsecured debt owed by the Trustee to the Option Seller;
 - 8.5.4.3. until the Option Exercise Price is paid in full, interest shall accrue on the outstanding amount (from time to time) at a rate equal to the Bank of England base rate plus 0.5% per annum or should the Bank of England base rate be determined to be less than 0%, interest will apply at a rate of 0.5% per annum; and
 - 8.5.4.4. the Option Exercise Price (together with all accrued interest) must be paid in full by the tenth anniversary of the date of the Option Notice.

- 8.5.5. The Trustee shall bear all stamp duty or stamp duty reserve tax payable in respect of the transfer of any Option Shares.

8.6. Completion

- 8.6.1. Completion shall take place on the date specified in the Option Notice.

- 8.6.2. At Completion:

- 8.6.2.1. the Option Seller shall

8.6.2.1.1. transfer or procure the transfer of the Option Shares to the Trustee;

8.6.2.1.2. deliver all relevant share certificates and other documents of title to the Option Shares to the Trustee;

8.6.2.1.3. account to the Trustee for all benefits received in respect of the Option Shares between the date of service of the Option Notice and the date of Completion (both dates inclusive);

8.6.2.1.4. execute and do all matters, acts, deeds, documents and things as shall be considered by the Trustee to be necessary or desirable to give effect to the sale of the Option Shares;

- 8.6.2.2. the Trustee shall (subject to the Option Seller complying with its obligations under Article 8.6.2.1) pay or procure such payment in respect of the Option Exercise Price for the Option Shares as the Trustee may elect pursuant to Article 8.5.3.1 and subject always to the requirements of Article 8.5.3 to the nominated bank account of the Option Seller;

- 8.6.3. The Trustee shall not be obliged to complete the purchase of Option Shares unless the sale of the Option Shares the subject of an Option Notice is completed simultaneously.

- 8.6.4. If the Trustee or an Option Seller fails to deliver the documents required to transfer any Option Shares to the Trustee pursuant to an Option Notice, the Company and each Director shall be constituted the agent of such defaulting Shareholder to take such actions and enter into any documents or agreements as are necessary to effect the transfer of the Option Shares pursuant to this Article 8. The Board shall then authorise registration of the transfer, once appropriate stamp duty (if any is required) has been paid.

9. Variation of Rights

- 9.1. The rights attached to any class of Shares may from time to time, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of not less than 75% in nominal value of the issued Shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of that class of Shares, but not otherwise.
- 9.2. The provisions of these Articles relating to general meetings of the Company or to their proceedings (and adjournments) shall, with the necessary changes being made, apply to every separate meeting of the holders of any class of Share, except that the necessary quorum shall be one person holding or representing by proxy at least one third in nominal amount of the issued Shares of that class, that every holder of Shares of the class present in person or by proxy shall

be entitled on a poll to one vote for every such Share held by it and that any holder of Shares of the class present in person or by proxy may demand a poll.

10. Allotment of new shares or other securities: pre-emption

10.1. In accordance with section 567(1) of the Companies Act, sections 561 and 562 of the Companies Act do not apply to an allotment of equity securities made by the Company.

10.2. Unless otherwise determined by special resolution, any New Securities shall, before they are allotted or granted on any terms, be first offered by the Company in writing to each Shareholder by:

10.2.1. giving details of the number and subscription price of the New Securities;

10.2.2. inviting him to apply for the New Securities at the subscription price (being on no less favourable terms);

10.2.3. stating that he will have a period of at least 14 days from the date of the notice in which to apply;

10.2.3.1. stating that, if there is competition among the Shareholders for the New Securities, the New Securities will be allocated to him in proportion (as nearly as may be) to his existing holdings of Shares (his "**Proportionate Allocation**");

10.2.3.2. inviting him to indicate if he is willing to purchase New Securities in excess of his Proportionate Allocation ("**Extra Securities**") and, if so, the number of Extra Securities.

10.3. On expiry of an offer made in accordance with Article 10.2 (or sooner if applications or refusals have been received from all Shareholders and all requisite approvals have been given), the Company shall allot or grant (as the case may be) the New Securities as follows:

10.3.1. if the total number of New Securities applied for is equal to or less than the New Securities offered, each Shareholder shall be allocated the number applied for by him; or

10.3.2. if the total number of New Securities applied for is more than the New Securities offered, each Shareholder shall be allocated his Proportionate Allocation or, if less, the number of New Securities for which he has applied; and

10.3.3. applications for Extra Securities shall be allocated in accordance with such applications or, in the event of competition, among those Shareholders applying for Extra Securities in proportion to their Proportionate Allocations but so that no applicant shall be allocated more Extra Securities than he has applied for and so that if there is a surplus further allocations shall be made on the same basis (and if necessary more than once) until all New Securities have been allocated;

10.3.4. fractional entitlements shall be rounded to the nearest whole number;

following which the Directors may, subject to these Articles and the Companies Act, allot or grant (as the case may be) such New Securities as have not been taken up in such manner as they think fit, but on no less favourable terms.

10.4. No Shares shall be allotted to any Employee, Director, prospective Employee or prospective director of the Company who in the opinion of the Board is subject to taxation in the United

Kingdom, unless such person has entered into a joint section 431 Income Tax (Earnings and Pensions) Act 2003 election with the Company if so required by the Company.

11. Transfers of Shares - General

- 11.1. Reference to the transfer of a Share in these Articles 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.
- 11.2. If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him.
- 11.3. The Directors may refuse to register a transfer of a Share if:
 - (a) a Shareholder transfers a Share otherwise than in accordance with these Articles; or
 - (b) the transfer is to an Employee, Director or prospective Employee or prospective director of the Company and such person has not entered into a joint section 431 ITEPA election with the Company.

Article 26(5) of the Model Articles shall be modified accordingly.

- 11.4. Articles 27 to 29 of the Model Articles regarding transmission of shares shall not apply to the Company.
- 11.5. Any transfer of a Share by way of sale which is required to be made under Articles 13 to 16 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.
- 11.6. In any case where the Board requires a Transfer Notice to be given in respect of any Shares, if a Transfer Notice is not duly given within a period of ten Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period.
- 11.7. If a Transfer Notice is required to be given by the Board or is deemed to have been given under these Articles, the Transfer Notice, unless otherwise specified in the Articles, will be treated as having specified that:
 - 11.7.1. the Transfer Price for the Sale Shares will be a rateable proportion of the Company Value at the date of the Transfer Notice to which the Sale Shares relate without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to the Sale Shares at the date of the Transfer Notice as agreed between the Board (including Consent) (any director who is a Seller or with whom the Seller is connected (within the meaning of section 252 of the Companies Act) not voting) and the Seller, or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the value of the Sale Shares as determined by the Expert Valuer pursuant to Article 14;
 - 11.7.2. it does not include a Minimum Transfer Condition (as defined in Article 13.2.3); and
 - 11.7.3. the Seller wishes to transfer all of the Shares held by it.

12. Permitted Transfers

- 12.1. A Shareholder (the "**Original Shareholder**") may transfer all or any of his, her or its Shares to a Permitted Transferee without restriction as to price or otherwise.

- 12.2. Shares previously transferred as permitted by Article 12.1 may be transferred by the transferee to the Original Shareholder or any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 12.3. Where, under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise.
- 12.4. If a Permitted Transferee which was a Member of the same Group as the Original Shareholder ceases to be a Member of the same Group as the Original Shareholder, the Permitted Transferee must not later than 15 Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to have given a Transfer Notice in respect of those Shares.
- 12.5. Permitted Trustees may (i) transfer Shares to a company in which they hold the whole of the share capital and which they control (a "**Qualifying Company**") or (ii) transfer Shares to the Original Shareholder or to another Permitted Transferee of the Original Shareholder or (iii) transfer Shares to the new or remaining trustees upon a change of Permitted Trustees without restrictions as to price or otherwise.
- 12.6. No transfer of Shares may be made to Permitted Trustees unless the Board is satisfied:
- 12.6.1. with the terms of the trust instrument and in particular with the powers of the trustees;
 - 12.6.2. with the identity of the proposed trustees;
 - 12.6.3. that the proposed transfer will not result in 50% or more of the aggregate of the Company's share capital being held by trustees of that and any other trusts; and
 - 12.6.4. that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.
- 12.7. If a company to which a Share has been transferred under Article 12.6 ceases to be a Qualifying Company, it must within fifteen Business Days of so ceasing transfer the Shares held by it to the Trustees or to a Qualifying Company (and may do so without restriction as to price or otherwise) failing which it will be deemed to have given a Transfer Notice in respect of such Shares.
- 12.8. If a Permitted Transferee who is a spouse or Civil Partner of the Original Shareholder ceases to be a spouse or Civil Partner of the Original Shareholder, whether by reason of divorce or otherwise, he or she must within fifteen Business Days of so ceasing either:
- 12.8.1. execute and deliver to the Company a transfer of the Shares held by him or her to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or
 - 12.8.2. give a Transfer Notice to the Company in accordance with Article 13.2, failing which he or she shall be deemed to have given a Transfer Notice.
- 12.9. On the death (subject to Article 12.3), bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his or her personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver

must within 15 Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within 15 Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver shall be deemed to have given a Transfer Notice.

- 12.10. Any Shares may at any time be transferred where there is a sale of the entire issued share capital of the Company to a Holding Company which has been approved by the Board with Consent.

13. Transfers of Shares subject to pre-emption rights

- 13.1. Save where the provisions of Articles 8, 12, 16 or 17 apply, or unless otherwise determined by special resolution, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 13.

- 13.2. A Shareholder who wishes to transfer Shares (a '**Seller**') shall, except as otherwise provided in these Articles, before transferring or agreeing to transfer any Shares give notice in writing (a '**Transfer Notice**') to the Company specifying:

- 13.2.1. the number of Shares which he wishes to transfer (the '**Sale Shares**');
- 13.2.2. if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee; and
- 13.2.3. whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold to Shareholders (a '**Minimum Transfer Condition**').

The price at which the Sale Shares are to be transferred (the '**Transfer Price**') shall be a rateable proportion of the Company Value at the date of the Transfer Notice to which the Sale Shares relate without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to the Sale Shares at the date of the Transfer Notice as agreed between the Board (including Consent) (any director who is a Seller or with whom the Seller is connected (within the meaning of section 252 of the Companies Act) not voting) and the Seller, or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the value of the Sale Shares as determined by the Expert Valuer pursuant to Article 14.

- 13.3. Except with Consent or as otherwise specified in these Articles, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn.

- 13.4. A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

- 13.5. As soon as practicable following the later of:

- 13.5.1. receipt of a Transfer Notice; and,
- 13.5.2. in the case where the Transfer Price has not been agreed, the determination of the Transfer Price under Article 14,

the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in Article 13.6. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

13.6. Transfers: Offer

- 13.6.1. The Board shall offer the Sale Shares to all shareholders other than the Seller (the '**Continuing Shareholders**') inviting them to apply in writing within the period from the date of the offer to the date ten Business Days after the offer (inclusive) (the '**Offer Period**') for the maximum number of Sale Shares they wish to buy.
- 13.6.2. If the Sale Shares are subject to a Minimum Transfer Condition, then any allocation made under Article 13.6 will be conditional on the fulfilment of the Minimum Transfer Condition.
- 13.6.3. If, at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of Shares bears to the total number of Shares held by those Continuing Shareholders who have applied for Sale Shares, which procedure shall be repeated until all Sale Shares have been allocated, but no allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy.
- 13.6.4. If, at the end of the Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications and the balance will be dealt with in accordance with Article 13.7.5.

13.7. Completion of transfer of Sale Shares

- 13.7.1. If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for does not meet the Minimum Transfer Condition, the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under Article 13.6 stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.
- 13.7.2. If:
 - 13.7.2.1. the Transfer Notice does not include a Minimum Transfer Condition; or
 - 13.7.2.2. the Transfer Notice does include a Minimum Transfer Condition and allocations have been made in respect of all or the minimum required number of the Sale Shares,the Board shall, when no further offers are required to be made under Article 13.6, and once the requirements of Article 17 have been fulfilled to the extent required, give written notice of allocation (an '**Allocation Notice**') to the Seller and each Continuing Shareholder to whom Sale Shares have been allocated (an '**Applicant**') specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than five Business Days nor more than ten Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.
- 13.7.3. Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.

- 13.7.4. If the Seller fails to comply with the provisions of Article 13.7.3:
- 13.7.4.1. the chairman of the Company or, failing him, one of the directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:
 - 13.7.4.1.1. complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - 13.7.4.1.2. receive the Transfer Price and give a good discharge for it; and
 - 13.7.4.1.3. (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and
 - 13.7.4.2. the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) or otherwise hold the Transfer Price on trust for the Seller until he has delivered to the Company his certificate or certificates for the relevant Shares (or an indemnity for lost certificate in a form acceptable to the Board).
- 13.7.5. If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 13.7.6, the Seller may, within eight weeks after service of the Allocation Notice, transfer the unallocated Sale Shares to any person at a price at least equal to the Transfer Price.
- 13.7.6. The right of the Seller to transfer Shares under Article 13.7.5 does not apply if the Board is of the opinion on reasonable grounds that:
- 13.7.6.1. the transferee is a person (or a nominee for a person) who the Board (with Consent) determine in their absolute discretion is a competitor with (or an Associate of a competitor with) the business of the Company or with a Group Company;
 - 13.7.6.2. the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
 - 13.7.6.3. the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above.

14. Valuation of Shares

- 14.1. If no Transfer Price or Option Exercise Price (as applicable) can be agreed in accordance with the provisions of Articles 8.5.1, 11.7, 13.2 or otherwise then, on the date of failing agreement, the Board shall either:
- 14.1.1. appoint an expert valuer in accordance with Article 14.2 (the '**Expert Valuer**') to certify the Company Value and resulting value of the Shares; or
 - 14.1.2. (if the Company Value has been certified by an Expert Valuer within the preceding 12 weeks) specify that the Transfer Price or Option Exercise Price (as applicable) will be calculated by dividing any Company Value so certified by the number of Shares to which

it related and multiplying such Company Value by the number of Shares the subject of the Transfer Notice or Option Notice (as applicable).

14.2. The Expert Valuer will be either:

14.2.1. the Auditors; or

14.2.2. (if otherwise agreed by (i) the Board and the Seller where the valuation relates to a Transfer Price or (ii) by the Board, the Trustee and the Option Seller where the valuation relates to an Option Exercise Price) an independent firm of chartered accountants to be agreed by such parties or failing agreement not later than the date ten Business Days after the date of service of the Transfer Notice or Option Notice (as applicable) to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party and approved by the Company.

14.3. The '**Company Value**' and the resulting value of the Shares shall be determined by the Expert Valuer on the following assumptions and bases:

14.3.1. the Company Value means the equity value of the Company (excluding the value of outstanding Liabilities at such time or any expectation that the Company will make payments to the Trustee in satisfaction of such Liabilities);

14.3.2. by valuing the Shares as on an arm's-length sale between a willing seller and a willing buyer;

14.3.3. if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;

14.3.4. on the assumption that the Shares are capable of being transferred without restriction;

14.3.5. by valuing the Shares as a rateable proportion of the Company Value without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to the Shares; and

14.3.6. reflecting any other factors which the Expert Valuer reasonably believes should be taken into account.

14.4. If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.

14.5. The Expert Valuer shall be requested to determine the Company Value and resulting value of the Shares within 20 Business Days of their appointment and to notify the Board of their determination.

14.6. The Expert Valuer shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).

14.7. The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to their agreeing to such confidentiality provisions as the Board may reasonably impose.

14.8. The Expert Valuer shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to (i) the Seller where the valuation relates to a Transfer Price or (ii) the Trustee and the Option Seller where the valuation relates to an Option Exercise Price. If Shares are to be sold under a Transfer Notice, unless the Transfer Notice is deemed to

have been served, the Seller may, by notice in writing to the Company within five Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Shares.

- 14.9. Where the valuation relates to a Transfer Price, the cost of obtaining the certificate shall be paid by the Company, unless:

14.9.1. the Seller cancels the Company's authority to sell; or

14.9.2. the sale price certified by the Expert Valuer is less than the price (if any) offered by the directors to the Seller for the Shares before Expert Valuer was instructed,

in which case the Seller shall bear the cost.

- 14.10. Where the valuation relates to an Option Exercise Price, the cost of obtaining the certificate shall be borne equally between the Trustee and the Option Seller.

15. Compulsory Transfers

- 15.1. A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors.

- 15.2. If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives of that deceased Shareholder either:

15.2.1. to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or

15.2.2. to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.

If either requirement in this Article 15.2 shall not be fulfilled to the satisfaction of the Directors, a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that the Directors may otherwise determine.

- 15.3. If a Shareholder which is a company either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets (other than as part of a bona fide restructuring or reorganisation), the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the shares held by the relevant Shareholder and its Permitted Transferees save to the extent that, and at a time, the Directors may determine.

- 15.4. If there is a change in control (as control is defined in section 1124 of the CTA 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its and their names and their respective nominees' names, save that, in the case of a Permitted Transferee, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee before being required to serve a Transfer Notice.

16. Drag Along

- 16.1. If the holders of more than 50 per cent of the Ordinary Shares (the '**Selling Shareholders**') wish to transfer all their interest in Shares (the '**Sellers' Shares**') to a Proposed Purchaser, the Selling Shareholders shall have the option (the '**Drag-Along Option**') to compel each other holder of Shares (each a '**Called Shareholder**' and together the '**Called Shareholders**') to sell and transfer

all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct (the '**Drag Purchaser**') in accordance with the provisions of this Article 16.

- 16.2. The Selling Shareholders may exercise the Drag-Along Option by giving a written notice to that effect (a '**Drag-Along Notice**') to the Company which the Company shall forthwith copy to the Called Shareholders at any time before the transfer of the Sellers' Shares to the Drag Purchaser. A Drag-Along Notice shall specify that:

- 16.2.1. the Called Shareholders are required to transfer all their Shares (the '**Called Shares**') under this Article 16;
- 16.2.2. the person to whom they are to be transferred;
- 16.2.3. the consideration (whether in cash or otherwise) for which the Called Shares are to be transferred (calculated in accordance with this Article 16);
- 16.2.4. the proposed date of transfer, and
- 16.2.5. the form of any sale agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such sale (the '**Sale Agreement**'),

(and, in the case of Articles 16.2.2 to 16.2.4 above, whether actually specified or to be determined in accordance with a mechanism described in the Drag-Along Notice). No Drag-Along Notice or Sale Agreement may require a Called Shareholder to agree to any terms except those specifically provided for in this Article 16.

- 16.3. Drag-Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Drag Purchaser within 60 Business Days after the date of service of the Drag-Along Notice. The Selling Shareholders shall be entitled to serve further Drag-Along Notices following the lapse of any particular Drag-Along Notice.
- 16.4. The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid, allotted or transferred by the Drag Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Article 7.1 (the '**Drag Consideration**').
- 16.5. In respect of a transaction that is the subject of a Drag-Along Notice and with respect to any Drag Document, a Called Shareholder shall only be obliged to undertake to transfer his Shares with full title guarantee (and provide an indemnity for lost certificate in a form acceptable to the Board if so necessary) in receipt of the Drag Consideration when due.
- 16.6. Within three Business Days of the Company copying the Drag-Along Notice to the Called Shareholders (or such later date as may be specified in the Drag-Along Notice) (the '**Drag Completion Date**'), each Called Shareholder shall deliver:
- 16.6.1. duly executed stock transfer form(s) for its Shares in favour of the Drag Purchaser;
 - 16.6.2. the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the Board) to the Company; and
 - 16.6.3. a duly executed Sale Agreement, if applicable, in the form specified in the Drag-Along Notice or as otherwise specified by the Company,
- (together the '**Drag Documents**').

- 16.7. On the Drag Completion Date, the Company shall pay or transfer to each Called Shareholder, on behalf of the Drag Purchaser, the Drag Consideration that is due to the extent that the Drag Purchaser has paid, allotted or transferred such consideration to the Company. The Company's receipt of the Drag Consideration shall be a good discharge to the Drag Purchaser. Following the Company's receipt of the Drag Consideration, but pending its payment or transfer to the Called Shareholder, the Company shall hold the Drag Consideration on trust for each of the Called Shareholders without any obligation to pay interest.
- 16.8. To the extent that the Drag Purchaser has not, on the Drag Completion Date, paid, allotted or transferred the Drag Consideration that is due to the Company, the Called Shareholders shall be entitled to the immediate return of the Drag Documents for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 16 in respect of their Shares.
- 16.9. If a Called Shareholder fails to deliver the Drag Documents for its Shares to the Company by the Drag Completion Date, the Company and each Director shall be constituted the agent of such defaulting Called Shareholder to take such actions and enter into any Drag Document or such other agreements or documents as are necessary to effect the transfer of the Called Shareholder's Shares pursuant to this Article 16, and the Directors shall, if requested by the Drag Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Drag Purchaser to the extent that the Drag Purchaser has, by the Drag Completion Date, paid, allotted or transferred the Drag Consideration to the Company for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer, once appropriate stamp duty (if any is required) has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or suitable executed indemnity) to the Company. On surrender, he shall be entitled to the Drag Consideration due to him.
- 16.10. Any transfer of Shares to a Drag Purchaser pursuant to a sale in respect of which a Drag-Along Notice has been duly served shall not be subject to the provisions of Article 13.
- 16.11. On any person, following the issue of a Drag-Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option or warrant to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a '**New Shareholder**'), a Drag-Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag-Along Notice. The New Shareholder shall then be bound to sell and transfer all the Shares so acquired to the Drag Purchaser, and the provisions of this Article 16 shall apply (with necessary changes) to the New Shareholder, except that completion of the sale of the Shares shall take place immediately on the Drag-Along Notice being deemed served on the New Shareholder.

Asset Sale

- 16.12. In the event that an Asset Sale is approved by the Selling Shareholders, such Selling Shareholders shall have the right, by notice in writing to all other Shareholders, to require the other Shareholders to take any and all such actions as it may be necessary for them to take in order to give effect to or otherwise implement such Asset Sale, subject always to the proceeds from such Asset Sale being distributed to Shareholders in accordance with the provisions of Article 7.1.

17. Tag Along

- 17.1. The provisions of Article 17.2 shall apply if a Shareholder (a '**Proposed Seller**') proposes to transfer any Shares (a '**Proposed Transfer**') which would, if put into effect, result in any person (a '**Proposed Transferee**') acquiring a Controlling Interest in the Company.
- 17.2. A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Transferee of an offer to the other Shareholders to acquire all of their Shares for a consideration per share the value of which is at least equal to the consideration per share offered to the Proposed Seller.
- 17.3. The offer referred to in Article 17.2 must be expressed to be capable of acceptance for a period of not less than 15 Business Days and, if it is accepted by any Shareholder (an '**Accepting Shareholder**') within that period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders.

18. General Meetings

- 18.1. A notice convening a general meeting shall be required to specify the general nature of the business to be transacted only in the case of special business.
- 18.2. All business shall be deemed special that is transacted at a general meeting, with the exception of declaring a dividend; consideration of the profit and loss account, balance sheet, and reports of the Directors and Auditors; the appointment and fixing of the remuneration of the Auditors; and the giving or renewal of any authority in accordance with section 551 of the Companies Act.
- 18.3. Every notice convening a general meeting shall comply with the provisions of section 325 of the Companies Act as to giving information to Shareholders in regard to their right to appoint proxies; and notices of and other communications relating to any general meeting which any Shareholder is entitled to receive shall be sent to the Directors and to the auditor for the time being of the Company.
- 18.4. If and for so long as the Company has one member only who is entitled to vote on the business to be transacted at a general meeting, that member present at the meeting in person or by proxy or, in the event that the member is a corporation, by corporate representative, is a quorum.
- 18.5. If and for so long as the Company has two or more members to vote on the business to be transacted at a general meeting, two of such members, each of whom is present at the meeting in person or by proxy or, in the event that any member present is a corporation, by corporate representative, are a quorum.
- 18.6. Subject to any rights or restrictions for the time being attached to any class or classes of Shares, on a show of hands every Shareholder entitled to vote who (being an individual) is present in person or by proxy or (being a corporate body) is present by a representative or proxy shall have one vote and, on a poll, each Shareholder shall have one vote for each Share of which he is the holder.
- 18.7. If a demand for a poll is withdrawn under article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made.
- 18.8. Polls must be taken in such manner as the chairman directs. A poll demanded on the election of a chairman or on a question of adjournment must be held immediately. A poll demanded on any other question must be held either immediately or at such time and place as the chairman directs not being more than 14 days after the poll is demanded. The demand for a poll shall not prevent

the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.

- 18.9. No notice need be given of a poll not held immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 18.10. If the poll is to be held more than 48 hours after it was demanded the Shareholders shall be entitled to deliver proxy notices in respect of the poll at any time up to 24 hours before the time appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a working day.

19. Proxies

- 19.1. Paragraph (c) of article 45(1) of the Model Articles shall be deleted and replaced by the words: 'is signed by or on behalf of the shareholder appointing the proxy and accompanied by the authority under which it is signed (or a certified copy of such authority or a copy of such authority in some other way approved by the directors)'.
- 19.2. The instrument appointing a proxy and any authority under which it is signed or a certified copy of such authority or a copy in some other way approved by the Directors may:
- 19.2.1. be sent or supplied in hard-copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as may be specified for this purpose in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote;
 - 19.2.2. be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the chairman or to the company secretary or to any Director; or
 - 19.2.3. in the case of a poll, be delivered at the meeting at which the poll was demanded to the chairman or to the company secretary or to any Director, or at the time and place at which the poll is held to the Chairman or to the company secretary or to any Director or scrutineer,

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

20. Notices

- 20.1. Subject to the specific terms of these Articles, any notice to be given to or by any person pursuant to these Articles (other than a notice calling a meeting of the Board or a committee thereof) shall be in writing.
- 20.2. Any Shareholder Communication may be served by the Company on, or supplied by the Company to, a Shareholder or other person:
- 20.2.1. personally;
 - 20.2.2. by sending it by first-class post in a pre-paid envelope addressed to such Shareholder or other person at their postal address (as appearing in the Company's register of members in the case of Shareholders); or

20.2.3. except in the case of share certificates or a notice to be given under Article 12, Article 15, Article 16 or Article 17, by sending or supplying it:

20.2.3.1. in electronic form (as specified by section 1168(3) of the Companies Act and otherwise complying with the requirements of section 1168); or

20.2.3.2. by website communication in accordance with the provisions of the Companies Act and the Electronic Communications Act 2000.

20.3. In the case of a Shareholder Communication validly:

20.3.1. sent by post, proof that an envelope containing the communication was properly addressed, pre-paid and posted shall be conclusive evidence that it was sent and it shall be deemed to be given or received at the expiration of 48 hours after the envelope containing it was posted;

20.3.2. sent in electronic form, it shall be deemed to have been given on the same day as it was sent to the address supplied by the Shareholder; and

20.3.3. made by website communication, it shall be deemed to have been received when it was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that it was available on the website.

20.4. In the case of joint holders of a Share, all Shareholder Communications shall be sent or supplied to the joint holder who is named first in the register, and a Shareholder Communication so sent or supplied shall be deemed sent or supplied to all joint holders.

20.5. A Shareholder who has not supplied to the Company either a postal or an electronic address for the service of notices shall not be entitled to receive notices from the Company.

21. Indemnity and Insurance

Subject to, and on such terms as may be permitted by the Companies Act, the Company may:

21.1. indemnify, out of the assets of the Company, any Director of the Company or any director of an associated company against all losses and liabilities which they may sustain or incur in the performance of the duties of their office or otherwise in relation thereto;

21.2. provide a Director and/or director of any associated company with funds to meet expenditure incurred or to be incurred by them in defending any civil or criminal proceedings brought or threatened against them or in defending themselves in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority, in either case in connection with any alleged negligence, default, breach of duty or breach of trust by them in relation to the Company or another Group Company and the Company shall be permitted to take or omit to take any action or enter into any arrangement which would otherwise be prohibited under the Companies Act to enable a Director to avoid incurring such expenditure; and

21.3. purchase and maintain insurance for any Director or any director of any other Group Company against any liability attaching to any such person in connection with any negligence, default, breach of duty or breach of trust by them in relation to the Company or any such Group Company.

22. Data protection

22.1. Each of the Shareholders and Directors acknowledges that the Company, the Shareholders and Directors (each a 'Recipient') will need to process their personal data for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures, and the exchange of information among themselves. A Recipient may process the personal data either

electronically or manually. The personal data which may be processed under this Article shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security), in the Company. Other than as required by law, court order or other regulatory authority, that personal data may not be disclosed by a Recipient or any other person except to a Member of the same Group ('**Recipient Group Companies**') and to employees, directors and professional advisers of that Recipient or the Recipient Group Companies and funds managed by any of the Recipient Group Companies. Each of the Shareholders and Directors acknowledges that relevant personal data may be transferred to persons acting on behalf of the Recipient and to the offices of any Recipient both within and outside the European Economic Area ('**EEA**') for the purposes stated above, where it is necessary or desirable to do so. Where it is necessary to transfer such personal data outside the EEA, the Recipient shall either seek consent to the transfer, or make the transfer subject to European Commission-approved contractual terms which impose data protection obligations equivalent to those provided by data protection legislation within the EEA, unless such transfers are permitted under applicable data protection law without such formalities.

23. Authority to capitalise and appropriation of capitalised sums

23.1. The Board may, if authorised to do so by an ordinary resolution (with Consent):

- 23.1.1. decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and
- 23.1.2. appropriate any sum which they so decide to capitalise (a '**Capitalised Sum**') to such Shareholders and in such proportions as the Board may in their absolute discretion deem appropriate (the '**Shareholders Entitled**').

Article 36 of the Model Articles shall not apply to the Company.

23.2. Capitalised Sums may be applied on behalf of such Shareholders and in such proportions as the Board may (in its absolute discretion) deem appropriate.

23.3. Any Capitalised Sum may be applied in paying up new Shares up to the nominal amount (or such amount as is unpaid) equal to the Capitalised Sum, which are then allotted credited as fully paid to the Shareholders Entitled or as they may direct.

23.4. A Capitalised Sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are allotted credited as fully paid to the Shareholders Entitled or as they may direct.

23.5. Subject to the Articles the Board may:

- 23.5.1. apply Capitalised Sums in accordance with Articles 23.3 and 23.4 partly in one way and partly another;
- 23.5.2. make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article 23; and
- 23.5.3. authorise any person to enter into an agreement with the Company on behalf of all of the Shareholders Entitled which is binding on them in respect of the allotment of Shares or debentures under this Article 23.

24. Treasury Shares

The Company shall be permitted to hold Shares or any units, stocks or securities representative of Shares as Treasury Shares.