

Company number 4101849

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

ABBOTT AND HOLDER LIMITED (Company)

28 OCTOBER 2013

WEDNESDAY



A27 \*A2K2QMGX\* 30/10/2013 #329  
COMPANIES HOUSE

Pursuant to Chapter 2 of Part 14 of the Companies Act 2006 (2006 Act), the directors of the Company propose that

- Resolution 1 below is passed as an ordinary resolution (**Ordinary Resolution**), and
- Resolutions 2 and 3 are passed as special resolutions (**Special Resolutions**)

1 Creation of new classes of shares

THAT the directors of the Company (**Directors**) be authorised to create 3 new classes of ordinary shares in the Company, (listed below) having the rights and being subject to the restrictions set out in the articles of association adopted pursuant to resolution 3

- (a) 10 B Ordinary shares of £1 00 each
- (b) 10 C Ordinary shares of £1 00 each, and
- (c) 100 D Ordinary shares of £1 00 each

2. Re-designation of Ordinary shares

THAT each of the 100 issued Ordinary shares of £1 in the capital of the Company be and is hereby re-designated as an A Ordinary share of £1 in the capital of the Company having the rights and being subject to the restrictions set out in the articles of association adopted pursuant to resolution 3

3 Amending articles of association

THAT the draft articles of association attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association

## AGREEMENT

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

The undersigned, a person entitled to vote on the Resolutions on 28 OCTOBER 2013, hereby irrevocably agrees to the Resolution

Signed by ANNABEL ATHILL

*Annabel Athill*

Date

28 OCTOBER 2013

Signed by PHILIP ATHILL

*Philip Athill*

Date

28 OCTOBER 2013

## NOTES

1 You can chose to agree to all of the Resolutions or none of them but you cannot agree to only some of the resolutions. If you agree to all of the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company's registered office.

If you do not agree to all of the resolutions, you do not need to do anything, you will not be deemed to agree if you do not reply.

2 Once you have indicated your agreement to a resolution, you may not revoke your agreement.

3. Where, by 7 days following the circulation these Resolutions, insufficient agreement has been received for a resolution to pass, such resolution will lapse. If you agree to all or any of the resolutions, please ensure that your agreement reaches us before or during this date.

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

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

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

ABBOTT AND HOLDER LIMITED

(Adopted by special resolution passed on 28 OCTOBER 2013)

INTRODUCTION

1. INTERPRETATION

1.1 In these Articles, unless the context otherwise requires

**Act:** means the Companies Act 2006;

**Acceptance:** has the meaning given to it in article 16.6.

**Appointor:** has the meaning given in article 11(1),

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

**Board of Directors:** means the board of directors of the Company from time to time,

**Business day:** means 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,

**Buyer:** has the meaning given in article 18.2.

**Company Accounts:** means the financial statements of the Company as at and to the specified accounts date notified by the Company from time to time, including the balance sheet, profit and loss account (together with the notes on them), the cash flow statement and directors' reports

**Conflict:** has the meaning given in article 7.1,

**Effective Date:** means 01 April 2013

**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),

**Entitlement:** has the meaning given to it in article 16.3

**Excess Reserves:** means the capital reserves of the Company from 01 April 2013 being any excess sum over and above £972,996 and belonging to the holders of the "D" ordinary Shares

**Extra Shares:** has the meaning given to it in article 16 6

**Fair Value:** has the meaning given to it in article 18 1

**Frozen Reserves:** the capital reserves of the Company as 31 March 2013, being £972,995 and belonging to the holders of the "A" ordinary Shares

**Initial Period:** has the meaning given to it in article 16 9

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

**Reserves:** means the Excess and Frozen Reserves together.

**Shareholder(s):** means a shareholder or shareholders of the Company from time to time

**Valuers:** an independent firm of accountants appointed by the Seller and by the Continuing Shareholders or, in the absence of agreement between them on the identity of the expert within [five] Business Days of the expiry of the [ten] Business Day period following service of a Price Notice, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator)

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, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of

- (a) any subordinate legislation from time to time made under it, and
- (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts

- 1 6 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms
- 1 7 The Model Articles shall apply to the company, except in so far as they are modified or excluded by these Articles. For the avoidance of doubt, the regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) Amendment Regulations 1985 shall no longer apply to the Company
- 1 8 Articles 8, 9(1) and (3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the company
- 1 9 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"
- 1 10 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"
- 1 11 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But"
- 1 12 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)," after the words "the transmittee's name"
- 1 13 Articles 31(1)(a) to (d) (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"

## **DIRECTORS**

### **2. UNANIMOUS DECISIONS**

- 2 1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter
- 2 2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing

- 2 3 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting

**3. CALLING A DIRECTORS' MEETING**

- 3 1 Any director may call a directors' meeting by giving not less than 5 business days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice

**4. QUORUM FOR DIRECTORS' MEETINGS**

- 4 1 Subject to article 4 2, the quorum for the transaction of business at a meeting of directors is any two eligible directors

- 4 2 For the purposes of any meeting (or part of a meeting) held pursuant to article 7 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director

- 4 3 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision

- (a) to appoint further directors, or
- (b) to call a general meeting so as to enable the shareholders to appoint further directors

**5. CASTING VOTE**

- 5 1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting has a casting vote

- 5 2 Article 5 1 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, the chairman or other director is not an eligible director for the purposes of that meeting (or part of a meeting).

**6. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

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

## 7 DIRECTORS' CONFLICTS OF INTEREST

- 7.1 The directors may, in accordance with the requirements set out in this article, 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 under this article 7 will be effective only if.
- (a) the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine,
  - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director, and
  - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted
- 7.3 Any authorisation of a Conflict under this article 7 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 shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict,
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit,
- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose that information to the company, or to use it in relation to the company's affairs where to do so would amount to a breach of that confidence, and
- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters

7.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict

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

7.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

## 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. NUMBER OF DIRECTORS**

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than two

**10. APPOINTMENT OF DIRECTORS**

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

**11. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

11.1 Any director (**appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to

- (a) exercise that director's powers; and
- (b) carry out that director's responsibilities,

in relation to the taking of decisions by the directors, in the absence of the alternate's appointor

11.2 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

11.3 The notice must

- (a) identify the proposed alternate, and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice

**12. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

12.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor

12.2 Except as the Articles specify otherwise, alternate directors

- (a) are deemed for all purposes to be directors,
- (b) are liable for their own acts and omissions,
- (c) are subject to the same restrictions as their appointors, and

- (d) are not deemed to be agents of or for their appointors

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member

**12.3 A person who is an alternate director but not a director**

- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),
- (b) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate), and
- (c) shall not be counted as more than one director for the purposes of articles 12.3(a) and (b)

**12.4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present**

**12.5 An alternate director may be paid expenses and may be indemnified by the company to the same extent as his appointor but shall not be entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company**

**13 TERMINATION OF ALTERNATE DIRECTORSHIP**

An alternate director's appointment as an alternate terminates

- (a) when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate,
- (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director,
- (c) on the death of the alternate's appointor, or
- (d) when the alternate's appointor's appointment as a director terminates

**SHARES**

**14. SHARE CAPITAL**

- 14.1 The share capital of the Company at the date of adoption of these Articles is £220 00 divided into
- (a) 100 A Ordinary shares of £1 00 each ("A Ordinary Shares")
  - (b) 10 B Ordinary shares of £1 00 each ("B Ordinary Shares")
  - (c) 10 C Ordinary shares of £1 00 each ("C Ordinary Shares"), and
  - (d) 100 D Ordinary shares of £1 00 each ("D Ordinary Shares")
- 14.2 Each class of share as listed in Article 14.1 shall each constitute different classes of shares for the purposes of the Act and shall be entitled to the rights as set out in these Articles.
- 14.3 The A Ordinary Shares and D Ordinary Shares shall entitle the holders thereof with full voting rights, rights to dividends and rights to the capital reserves of the Company (the **Reserves**) in the event of winding up. For the avoidance of doubt, the A Ordinary Shares and D Ordinary Shares shall rank *pari passu* in all respects except in so far as their entitlement to the Reserves differs (as set out below)
- 14.4 The Frozen Reserves shall be ring-fenced for the benefit of the holders of the A Ordinary Shares and only the holders of the A Ordinary Shares shall be entitled to participate in the Frozen Reserves
- 14.5 The Excess Reserves shall be ring fenced for the benefit of the holders of the D Ordinary Shares and only the holders of the D Ordinary Shares shall be entitled to participate in the Excess Reserves
- 14.6 The B Ordinary Shares and C Ordinary Shares shall be non-voting and carry no entitlement to the Reserves but shall have rights to dividends to be decided by the Board of Directors from time to time. For the avoidance of doubt, the B Ordinary Shares and C Ordinary Shares shall rank *pari passu* in all respects, except that the Company may, vary the sum of the dividend payable to each share class
- 14.7 No dividend shall be declared by the Company on the B Ordinary Shares unless a dividend is also declared on the C Ordinary Shares at the same time and vice versa.
- 14.8 No variation of the rights attaching to any class of shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of shares. Where a special resolution to vary the rights attaching to a class of shares is proposed at a separate general meeting of that class of shares, all the provisions of these Articles as to general meetings of the Company shall *mutatis mutandis* apply, but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative. For the purpose of this article, one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting

**15. FURTHER ISSUES OF SHARES: AUTHORITY**

15 1 Subject to the remaining provisions of this article 15, the directors are generally and unconditionally authorised, for the purpose of section 551 of the Act, to exercise any power of the Company to

- (a) offer or allot,
- (b) grant rights to subscribe for or to convert any security into, or
- (c) otherwise deal in, or dispose of,

any shares in the Company to any person, at any time and subject to any terms and conditions as the directors think proper

15 2 The authority referred to in article 15 1

- (a) shall be limited to a maximum nominal amount of £100 00 of each class of share or such other amount as may from time to time be authorised by the Company by ordinary resolution,
- (b) shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution; and
- (c) may only be exercised for a period of five years from the date of adoption of these Articles, save that the directors may make an offer or agreement which would, or might, require shares to be allotted after the expiry of such authority (and the directors may allot shares in pursuance of an offer or agreement as if such authority had not expired)

**16 TRANSFER OF SHARES**

16 1 No Shareholder shall sell, transfer, assign, pledge, charge or otherwise dispose of any share or any interest in any share in the capital of the Company, except as permitted by this agreement or with the prior written consent of all other Shareholders

16 2 Except for transfers to which all other Shareholders give their prior written consent, no Shareholder shall transfer any shares unless he transfers all (and not some only) of the shares held by him.

16 3 A Shareholder (**Seller**) wishing to transfer shares in the capital of the Company (**Sale Shares**) shall give notice in writing (**Transfer Notice**) to the other parties excluding any Shareholder whose shares are, at the date of the Transfer Notice, the subject of a deemed Transfer Notice under article 17 (**Continuing Shareholders**) specifying the details of the proposed transfer, including the number of Sale Shares comprised within the Transfer Notice] the identity of the proposed buyer(s), the proposed price for each Sale Share (**Proposed Sale Price**) and each Continuing Shareholder's proportionate entitlement to the Sale Shares, being the same proportion of the Sale Shares as the proportion that the number of ordinary shares held by him bears to

the total number of ordinary shares held by the Continuing Shareholders (in respect of each Continuing Shareholder, his **Entitlement**)

- 16 4 This article and article 16 5 shall only apply to Transfer Notices issued after the expiry of the Initial Period. The Continuing Shareholders (or any of them) may, by giving notice in writing (**Price Notice**) to the Seller at any time within 10 Business Days of receipt of a Transfer Notice, notify the Seller that the Proposed Sale Price is too high. Following service of a Price Notice, the parties shall endeavour to agree a price for each of the Sale Shares. If the parties have not agreed such a price within 10 Business Days of the Seller's receipt of a Price Notice, they (or any of them) shall immediately instruct the Valuers to determine the Fair Value of each Sale Share in accordance with article 18 1.
- 16 5 If, following delivery to him of the Valuers' written notice in accordance with article 18.1, the Seller does not agree with Valuers' assessment of the Fair Value of the Sale Shares, he shall be entitled to revoke the Transfer Notice by giving notice in writing to the Continuing Shareholders within 5 Business Days of delivery to him of the Valuers' written notice. If the Seller revokes the Transfer Notice, he is not entitled to transfer the Sale Shares except in accordance with this agreement
- 16 6 Within 20 Business Days of receipt (or deemed receipt) of a Transfer Notice or in the case of Transfer Notices issued after the Initial Period, within 20 Business Days of receipt of the Valuers' determination of the Fair Value (and provided the Seller has not withdrawn the Transfer Notice in accordance with article 16 5), a Continuing Shareholder shall be entitled (but not obliged) to give notice in writing (**Acceptance**) to the Seller stating that he wishes to purchase his Entitlement OR a specified number of Sale Shares to the Sale Shares at the Sale Price. A Continuing Shareholder may, in his Acceptance, indicate that he would be willing to purchase a particular number of Sale Shares in excess of his Entitlement (**Extra Shares**)
- 16 7 If, on the expiry of the relevant 20 Business Day period referred to in article 16 6, the total-number of Sale-Shares applied-for is greater than the available number of Sale Shares, each accepting Continuing Shareholder shall be allocated his Entitlement (or such lesser number of Sale Shares for which he has applied) and applications for Extra Shares shall be allocated in accordance with such applications or, in the event of competition, among those Continuing Shareholders applying for Extra Shares in such proportions as equal (as nearly as may be) the proportions of all the shares of the same class held by such Continuing Shareholders
- 16 8 In relation to any Sale Shares not accepted by Continuing Shareholders under article 16 6 (and, where relevant, article 16 7)
- (a) the Seller shall be entitled to transfer those Sale Shares to the third party buyer identified in the Transfer Notice at a price per Sale Share not less than the Sale Price, and
  - (b) the Seller shall procure that any buyer of Sale Shares that is not, immediately prior to completion of the transfer in question, a party to this

agreement shall, at completion, enter into a deed of adherence with the Continuing Shareholders, agreeing to be bound by the terms of this agreement, in such form as the Continuing Shareholders may reasonably require (but not so as to oblige the buyer to have any obligations or liabilities greater than those of the Seller)

- 16 9 Should Shareholder C wish to transfer his Shares (for whatever reason) within 5 years of the Effective Date (**Initial Period**), he may only transfer his shares to the Continuing Shareholders or to the Company via an own share purchase, provided it has sufficient funds to do so. It is agreed that the Sale Price of Shareholder C's Shares for any transfer taking place within the Initial Period shall be his entitlement to the remaining Excess Reserves at the date of the issue of the Transfer Notice (or proportion of the remainder in the case of the sale of some of his Shares only)

#### **17. EVENTS OF DEFAULT**

- 17 1 A Shareholder is deemed to have served a Transfer Notice under article 16 3 immediately before any of the following events of default

- (a) in the case of Shareholder C, his death, or
- (b) upon the second death of Shareholder A or B, or
- (c) a bankruptcy order being made against him, or an arrangement or composition being made with his creditors, or where he otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors, or
- (d) in the case of Shareholder C, he ceases to be a director of the Company, or
- (e) he fails to remedy a material breach by him of any obligation under this agreement within 10 Business Days of notice to remedy the breach being served by all the other Shareholders

- 17 2 The deemed Transfer Notice has the same effect as a Transfer Notice, except that

- (a) the deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the shares and the Sale Price shall be the Fair Value of those shares, determined by the Valuers in accordance with article 18 1,
- (b) the Seller does not have a right to withdraw the Transfer Notice following a valuation,
- (c) if the Continuing Shareholders do not accept the offer of shares comprised in the deemed Transfer Notice in full, the Seller does not have the right to sell the shares to a third party and the Company shall have the option to purchase the shares, provided that it has sufficient funds to do so. In the event that the Company is not in a position to re-purchase the shares, it shall be wound up forthwith upon all of the Continuing Shareholders giving notice in writing to the Company within 15 Business Days from the delivery

of the deemed Transfer Notice or written notice of the Fair Value, whichever is the later

17 3 The Sale Price of the Shares subject to a Transfer Notice issued within the Initial Period under article 17 1(a) or 17 1(d) shall be calculated in accordance with article 16 9

17 4 The Sale Price of the Shares subject to a Transfer Notice issued under article 17 1(b) shall be determined by the executors of the relevant estate

#### 18. FAIR VALUE

18 1 The Fair Value for any Sale Share after the Initial Period shall be the price per share determined in writing by the Valuers on the following bases and assumptions

- (a) valuing each of the Sale Shares as a proportion of the total value of the voting issued shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent,
- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
- (c) the sale is to be on arms' length terms between a willing seller and a willing buyer,
- (d) the shares are sold free of all restrictions, liens, charges and other encumbrances, and
- (e) the sale is taking place on the date the Valuers were requested to determine the Fair Value

18 2 Should the entire issued Share Capital of the Company be sold to a third party purchaser (Buyer), the Sale Price paid by Buyer shall be distributed in accordance with articles 8 3-8 5

18 3 The Shareholders agree that a sum equal to the remaining Frozen Reserves (that have not be distributed) shall be paid to Shareholder A and B in proportion to the number of "A" Ordinary Shares held by them

18 4 A sum equal to any Excess Reserves shall then be paid to the Shareholders in proportion to the number of "D" Ordinary Shares held by them

18 5 Any remaining sums left after the payments have been made in accordance to articles 8 3 and 8 4, shall be paid to the Shareholders in the following proportions

Shareholder A 15%

Shareholder B 60%

Shareholder C 25%

18 6 For any transfer of shares between the Shareholders following the Initial Period (to the exclusion of transfers made pursuant to article 17 1(b)), the Fair Value of the Seller's Sale Shares shall be calculated excluding the entitlement of those shares to any remaining Excess or Frozen Reserves. On Completion of the transfer of the Sale Shares, the Seller shall then receive the following payments from the Continuing Shareholder(s) making the purchase

(a) A sum equal to the balance of the remaining Excess or Frozen Reserves his or her Sale Shares are entitled to, and

(b) the Fair Value of the Sale Shares as calculated in accordance with article 18 6 above

18 7 If the Fair Value of the Sale Shares calculated in article 18 6 above is less than the entitlement of those shares to any remaining Excess or Frozen Reserves, the Seller in this case shall only receive a sum equal to the balance of the Excess or Frozen Reserves his shareholding is entitled to.

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

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

19 1 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

19 2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article

##### **20 PROXIES**

20 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"

20 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



## **ADMINISTRATIVE ARRANGEMENTS**

### **21 MEANS OF COMMUNICATION TO BE USED**

21 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),
- (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address,
- (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and
- (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this article, no account shall be taken of any part of a day that is not a working day

21 2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act

### **22 INDEMNITY**

22 1 Subject to article 22 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

- (i) in the actual or purported execution and/or discharge of his duties, or in relation to them,

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in

connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated 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 22(1)(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

22 2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

22 3 In this article

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor)

## 23 INSURANCE

23 1 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

23 2 In this article

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

- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate