

(Company No 04799025)

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

ST. PAULS MINT LIMITED ("Company")

Circulation Date: **11 August** 2016

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the special resolution below is passed ("Special Resolution")

SPECIAL RESOLUTION

THAT the draft articles of association produced to the meeting and for the purposes of identification, 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 Resolution

The undersigned, a person entitled to vote on the above Special Resolution on the above stated circulation date, hereby irrevocably agrees to the Special Resolution

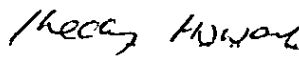
Signed by **ROGER WILFRED HOWARD**

Date


11/08/16

Signed by **KEELEY ANNE HOWARD**

Date


11/08/16

FRIDAY



A16 26/08/2016 #179
COMPANIES HOUSE

Signed by KEVIN GORDON BINNION

Date

Signed by JANE HOWARD

Jane Howard

Date

11/08/16

NOTES

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

By Hand. Deliver the signed copy to Inger Anson at Harrison Clark Rickerbys, 5 Deansway, Worcester, WR1 2JG

Post. Return the signed copy by post to Inger Anson at Harrison Clark Rickerbys, 5 Deansway, Worcester, WR1 2JG

Email Attach a scanned copy of the signed document to an email and sending it to ianson@hcrlaw.com Please enter "St Pauls Mint Limited Written Resolution" in the email subject box

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

- 2 Once you have indicated your agreement to the Special Resolution, you may not revoke your agreement
- 3 Unless sufficient agreement has been received for the Special Resolution to pass within 21 days of the circulation date, it will lapse If you agree to this Special Resolution, please indicate your agreement and notify us as soon as possible
- 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

ST. PAULS MINT LIMITED

(Adopted by special resolution passed on 11th August 2016)

INTRODUCTION

1. INTERPRETATION

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

Act: means the Companies Act 2006

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)

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

Bad Leaver. an Employee who becomes a Departing Employee in circumstances where he is not a Good Leaver

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

Business Day: means any day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business

Conflict: has the meaning given in article 7.1

Controlling Interest: an interest in Shares conferring on the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010

Deemed Transfer Notice: a Transfer Notice which is deemed to have been served by any of the provisions of these Articles

Departing Employee: an Employee who ceases to be a director or employee of, or consultant to, the Company and who does not continue as, or become, a director or employee of, or consultant to, the Company

Directors: the directors of the Company from time to time

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)

Employee: an individual who is, or has been, a director and/or an employee of, or who does provide or has provided consultancy services to the Company

Fair Value: has the meaning given in Article 17 2

Family Trust: as regards any particular Shareholder who is an individual (or deceased or former Shareholder who is an individual) any trust (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 particular Shareholder and/or any of the Privileged Relations of that Shareholder (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 or appointed to or for the benefit of any such person or any voting or other rights attaching thereto are exercisable by or as directed by any 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)

Good Leaver: an Employee who becomes a Departing Employee by reason of

(a) death,

(b) permanent disability or permanent incapacity through ill-health,

(c) retirement at normal retirement age,

(e) dismissal by the Company which is determined, by an employment tribunal or at a court of competent jurisdiction from which there is no right to appeal, to be wrongful

Independent Expert: the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the Company and the Seller or, in the absence of agreement between the Company and the Seller on the identity of the expert within 10 Business Days of the expiry of the 10 Business Day period referred to in Article 17 1, 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)

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

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

Permitted Transfer: a transfer of Shares made in accordance with Article 15

Permitted Transferee. in relation to any Shareholder, means any of his Privileged Relations or the trustee(s) of a Family Trust

Privileged Relation: in relation to a Shareholder who is an individual (or a deceased or former Shareholder who is an individual) means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue), parent or sibling

Relevant Shares. in relation to an Employee means all Shares held by

(a) the Employee in question, and

(b) any Permitted Transferee of that Employee,

and including any Shares acquired by any such person after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice

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

Termination Date:

(a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires,

(b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served,

(c) where an Employee dies, the date of his death,

(d) where the Employee concerned is a director but not an employee, the date on which his service agreement (or other terms of appointment) with the relevant Group Company is terminated, or

(e) in any other case, the date on which the employment or holding of office is terminated

Transfer Notice. has the meaning given in Article 16 2

Transfer Price: has the meaning given in Article 17

Writing or written. the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise, save that, in relation to a Transfer Notice (or Deemed Transfer Notice), "writing" or "written" shall not include the sending or supply of notices, documents or information in electronic form (other than by fax)

1 2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles

1 3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles

1 4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise

- 1 5 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time
- 1 6 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision
- 1 7 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms
- 1 8 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them
- 1 9 The Model Articles shall apply to the company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles
- 1 10 Articles 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 52 and 53 of the Model Articles shall not apply to the Company
- 1 11 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 12 Article 20 of the Model Articles shall be amended by the insertion of the words "[including alternate directors)] [and the secretary]" before the words "properly incur"
- 1 13 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 14 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 15 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2) of the Model Articles," after the words "the transmittee's name"

- 1 16 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide" Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide"

DIRECTORS

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 existing or proposed transaction or arrangement in which he is interested,
- (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested,
- (d) may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director,
- (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested, and
- (f) shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or

from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

7. DIRECTORS' CONFLICTS OF INTEREST

7 1 The directors may, in accordance with the requirements set out in this article, 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) to the extent permitted by the Act, 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 or any other 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 and any other 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

8 1 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. SECRETARY

- 11 1 The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors

SHARES

12. PURCHASE OF OWN SHARES

- 12 1 Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of
- (a) £15,000, and
 - (b) the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company

13. ALLOTMENT OF NEW SHARES OR OTHER SECURITIES

- 13 1 Sections 561(1) and 562(1) to (5) (inclusive) of the Act do not apply to an allotment of equity securities made by the Company
- 13 2 Subject to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper

14. TRANSFERS OF SHARES: GENERAL

- 14 1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share
- 14 2 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles. The Directors shall register any duly stamped transfer made in accordance with

these Articles, unless they suspect that the proposed transfer may be fraudulent

- 14 3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall be deemed to have immediately served a Transfer Notice in respect of all Shares held by him
- 14 4 Any transfer of a Share by way of sale which is required to be made under Article 18, Article 1 or Article 19 shall be deemed to include a warranty that the transferor sells the Share with full title guarantee
- 14 5 To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may require
- (a) any holder (or the legal representatives of a deceased holder), or
 - (b) any person named as a transferee in a transfer lodged for registration, or
 - (c) such other person as the Directors may reasonably believe to have information relevant to that purpose,
- to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose
- 14 6 If any such information or evidence referred to in Article 14 5 is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares of that fact in writing and, if the holder fails to remedy that situation to the reasonable satisfaction of the Directors within 10 Business Days of receipt of such written notice, then
- (a) the relevant Shares shall cease to confer on the holder of them any rights
 - (i) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares,
 - (ii) to receive dividends or other distributions otherwise attaching to those Shares, or
 - (iii) to participate in any future issue of Shares, and
 - (b) the Directors may, by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Shares with effect from the date

of service of the notice (or such later date as may be specified in such notice)

The Directors may reinstate the rights referred to in Article 14 6 at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to Article 14 6(b) on completion of such transfer

14 7 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice)

14 8 Any Transfer Notice (but not an Offer Notice (as defined in Article 1) or a Drag Along Notice (as defined in Article 19 2)) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of a Deemed Transfer Notice

15. PERMITTED TRANSFERS OF SHARES

15 1 A Shareholder (the **Original Shareholder**) may transfer all or any of his or its Shares to a Permitted Transferee

15 2 Where Shares are held by the trustee(s) of a Family Trust, the trustee(s) may transfer Shares to

- (a) the Original Shareholder,
- (b) any Privileged Relation(s) of the Original Shareholder,
- (c) subject to Article 15 3, the trustee(s) of another Family Trust of which the Original Shareholder is the Settlor, or
- (d) subject to Article 15 3, to the new (or remaining) trustee(s) upon a change of trustee(s) of a Family Trust,

without any price or other restriction

15 3 A transfer of Shares may only be made to the trustee(s) of a Family Trust if the Board is satisfied

- (a) with the terms of the trust instrument and, in particular, with the powers of the trustee(s),
- (b) with the identity of the proposed trustee(s),

- (c) that the proposed transfer will not result in 50% or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts, and
- (d) that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company

15 4 If the Original Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, the Permitted Transferee (or the transmittee(s) of any such person), shall within ten Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death, divorce or otherwise) either

- (a) execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them, or
- (b) give a Transfer Notice to the Company in accordance with Article 16,

failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this Article 15 4 This Article 15 4 shall not apply to a transmittee of a Permitted Transferee if that transmittee is also a Permitted Transferee of the Original Shareholder, to the extent that such transmittee is legally or beneficially entitled to those Shares

15 5 Notwithstanding any other provision of this Article 15, a transfer of any Shares approved by the Directors may be made without any price or other restriction and any such transfer shall be registered by the Directors

16. PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

16 1 Except where the provisions of Article 15, Article 1 or Article 19 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this Article 16

16 2 A Shareholder who wishes to transfer Shares (a **Seller**) shall, before transferring or agreeing to transfer any Shares, give notice in writing (a **Transfer Notice**) to the Company specifying

- (a) subject to Article 14 7, the number of Shares he wishes to transfer (**Sale Shares**),
- (b) the name of the proposed transferee, if any,
- (c) the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the **Proposed Sale Price**)

- 16.3 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price
- 16.4 As soon as practicable following the later of
- (a) receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served), and
 - (b) the determination of the Transfer Price,
- the Directors shall offer the Sale Shares for sale in the manner set out in the remaining provisions of this Article 16 at the Transfer Price. Each offer shall be in writing and shall give details of the number and Transfer Price of the Sale Shares offered
- 16.5 The Company shall offer the Sale Shares in the following order of priority
- (a) first, subject to the Act, to the Company, and
 - (b) second, to the holders of Shares other than the Seller (the **First Offer Shareholders**),
- in each case on the basis set out in Article 16.6 to 16.11 (inclusive)
- 16.6 An offer of Sale Shares made in accordance with Article 16.5(a) shall remain open for acceptance for a period from the date of the offer to the date 20 Business Days after the offer (both dates inclusive). Any Sale Shares not allocated within that period shall be dealt with in accordance with Article 16.7 and Article 16.8
- 16.7 Subject to Article 16.6, the Directors shall offer the Sale Shares to the Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (the **First Offer Period**) for the maximum number of Sale Shares they wish to buy
- 16.8 If
- (a) at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to each Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares of the class being offered held by all Shareholders (other than the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors). 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,

- (b) not all Sale Shares are allocated following allocations in accordance with Article 16 8(a), but there are applications for Sale Shares that have not been satisfied, the Directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in Article 16 8(a) The procedure set out in this Article 16 8(b) shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied, and
- (c) at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the Shareholders in accordance with their applications and the balance (the **Surplus Shares**) shall be offered to any other person in accordance with Article 16 12

16 9 The Directors shall, when no further offers or allocations are required to be made under Article 16 6 to Article 16 8 (inclusive), give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and each Shareholder to whom Sale Shares have been allocated (each an **Applicant**) The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 10 Business Days, but not more than 20 Business Days, after the date of the Allocation Notice)

16 10 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice

16 11 If the Seller fails to comply with Article 16 10

- (a) the Chairman (or, failing him, any other Director or some other person nominated by a resolution of the Directors) may, as agent and attorney on behalf of the Seller
 - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,
 - (ii) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price), and
 - (iii) (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

- (b) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company

16 12 Where an Allocation Notice does not relate to all the Sale Shares, then, subject to Article 16 13, the Seller may, at any time during the 20 Business Days following the date of service of the Allocation, transfer the Sale Shares or the Surplus Shares (as the case may be) to any person at a price at least equal to the Transfer Price

16 13 The Seller's right to transfer Shares under Article 16 12 does not apply if the Directors reasonably consider that

- (a) the transferee is a person (or a nominee for a person) whom they determine to be a competitor of the business of the Company,
- (b) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee, or
- (c) the Seller has failed or refused to promptly provide information available to him and reasonably requested to enable them to form the opinion referred to in Article 16 13(b)

17. VALUATION

17 1 The Transfer Price for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Directors (any Director with whom the Seller is connected not voting) and the Seller or, in default of agreement within 10 Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of Directors first has actual knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share

17 2 The Fair Value shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions

- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served),
- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,

- (c) that the Sale Shares are capable of being transferred without restriction,
 - (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent, and
 - (e) reflecting any other factors which the Independent Expert reasonably believes should be taken into account
- 17.3 If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit
- 17.4 The Directors will give the Independent Expert access to all accounting records or other relevant documents of the Company, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose
- 17.5 The Independent Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error)
- 17.6 The Independent Expert shall be requested to determine the Fair Value within 20 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Seller
- 17.7 The cost of obtaining the Independent Expert's certificate shall be borne by the parties equally or in such other proportions as the Independent Expert directs unless in respect of a Deemed Transfer Notice, the Fair Value is less than the price per Sale Share offered to the Seller by the Directors before the appointment of the Independent Expert, in which case the Seller shall bear the cost

18. COMPULSORY TRANSFERS

- 18.1 A person entitled to a Share in consequence of the death or bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer notice in respect of that Share at such time as the Directors may determine
- 18.2 If a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of

a bona fide scheme of solvent amalgamation or reconstruction) or suffers or takes any equivalent action in any jurisdiction outside England and Wales, that Shareholder shall be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the Directors may determine

18 3 If an Employee becomes a Departing Employee, a Transfer Notice shall, unless the Directors otherwise direct in writing in respect of any particular Relevant Shares prior to or within 90 Business Days after the relevant Termination Date, be deemed to have been served on the relevant Termination Date in respect of all Relevant Shares (a **Compulsory Employee Transfer**) and any Transfer Notice served in respect of any of such Relevant Shares before the date such Employee becomes a Departing Employee shall automatically lapse. The provisions of this article 18 3 shall not apply to Roger Howard or any Shares held by him

18 4 Notwithstanding any other provisions of these Articles, the Transfer Price in respect of a Compulsory Employee Transfer shall, where the Departing Employee is a

- (a) Bad Leaver, be restricted to a maximum of £1 for all of the Relevant Shares, and
- (b) Good Leaver, be the aggregate Fair Value of such Relevant Shares

18 5 Forthwith upon a Transfer Notice being deemed to be served under this Article 18 the Shares subject to the relevant Deemed Transfer Notice (**Restricted Shares**) shall cease to confer on the holder of them any rights

- (a) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares,
- (b) to receive dividends or other distributions otherwise attaching to those Shares, or
- (c) to participate in any future issue of Shares issued in respect of those Shares

The Directors may reinstate the rights referred to in Article 18 2 at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to Article 18 on completion of such transfer

19. DRAG ALONG

19 1 If the holders of not less than 75% by nominal value of the issued Shares for the time being (the **Selling Shareholders**) wish to transfer all of their interest in Shares (**Sellers' Shares**) to a bona fide purchaser on arm's-length terms (**Proposed Buyer**), the Selling Shareholders shall have the option (**Drag**

Along Option) to require all the other holders of Shares on the date of the request (**Called Shareholders**) to sell and transfer all their interest in Shares with full title guarantee to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this Article 19

19.2 The Selling Shareholders may exercise the Drag Along Option by giving notice in writing to that effect (a **Drag Along Notice**), at any time before the completion of the transfer of the Sellers' Shares, to the Proposed Buyer and each Called Shareholder. A Drag Along Notice shall specify

- (a) that the Called Shareholders are required to transfer all their Shares (**Called Shares**) pursuant to this Article 19,
- (b) the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer),
- (c) the consideration payable for the Called Shares,
- (d) the proposed date of completion of transfer of the Called Shares

19.3 Once given, a Drag Along Notice may not be revoked save with the prior consent of the Directors. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not completed the transfer of all the Sellers' Shares to the Proposed Buyer (or as the Proposed Buyer may direct) within 30 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

19.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 19.

19.5 Completion of the sale and purchase of the Called Shares shall take place on the same date as, and conditional upon the completion of, the sale and purchase of the Sellers' Shares unless

- (a) all of the Called Shareholders and the Selling Shareholders otherwise agree, or
- (b) that date is less than 10 Business Days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares shall take place 20 Business Days after the date of service of the Drag Along Notice.

19.6 Within 20 Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Shares in favour of the Proposed Buyer (or as the Proposed Buyer may direct), together with the share certificate(s) in respect of those Shares (or a suitable indemnity in respect thereof) to the

Company On the expiration of that 20 Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due to the extent the Proposed Buyer has put the Company in the requisite funds The Company's receipt for the amounts due shall be a good discharge to the Proposed Buyer The Company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest

- 19.7 To the extent that the Proposed Buyer has not, on the expiration of the 20 Business Day period, put the Company in funds to pay the amounts due, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 19 in respect of their Shares
- 19.8 If any Called Shareholder fails to deliver to the Company a duly executed stock transfer form (or forms) in respect of the Called Shares held by him (together with the share certificate(s) in respect of those Called Shares (or a suitable indemnity in respect thereof)) the defaulting Called Shareholder shall be deemed to have appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute and deliver all necessary transfers on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares After the Proposed Buyer (or person(s) nominated by the Proposed Buyer) has been registered as the holder of any such Called Shares, the validity of such proceedings shall not be questioned by any person Failure to produce a share certificate shall not impede the registration of any transfer of Shares under this Article 19
- 19.9 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares (a **New Shareholder**), a Drag Along Notice shall be deemed to have been served upon the New Shareholder, on the same terms as the previous Drag Along Notice, who shall then be bound to sell and transfer all such Shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 19 shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such Shares shall take place forthwith upon the later of the Drag Along Notice being deemed served on the New Shareholder and the date of completion of the sale of the Called Shares References in this Article 19.9 to a person becoming a Shareholder (or increasing an existing shareholding) shall include the Company, in respect of the acquisition of any of its own Shares

19 10 A transfer of Called Shares to a Proposed Buyer (or as the Proposed Buyer may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the pre-emption provisions of Article 16

19 11 Any Transfer Notice or Deemed Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a Drag Along Notice shall automatically be revoked by the service

DECISION MAKING BY SHAREHOLDERS

20. POLL VOTES

20 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

20 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

21. PROXIES

21 1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"

21 2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid [unless the directors, in their discretion, accept the notice at any time before the meeting]" as a new paragraph at the end of that article

ADMINISTRATIVE ARRANGEMENTS

22. MEANS OF COMMUNICATION TO BE USED

22 1 Subject to article 22 2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient

- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address, or

- (b) if sent by fax, at the time of transmission, or
- (c) if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9 00 am on the second Business Day after posting, or
- (d) if sent by pre-paid airmail to an address outside the country from which it is sent, at 9 00 am on the fifth Business Day after posting, or
- (e) if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address, or
- (f) if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied, or
- (g) 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, and
- (h) if deemed receipt under the previous paragraphs of this article 22 1 would occur outside business hours (meaning 9 00 am to 5 30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9 00 am on the day when business next starts in the place of deemed receipt For the purposes of this article, all references to time are to local time in the place of deemed receipt

22 2 To prove service, it is sufficient to prove that

- (a) if delivered by hand [or by reputable international overnight courier, the notice was delivered to the correct address, or
- (b) if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number, or
- (c) if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted, or
- (d) if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient

23 INDEMNITY

23 1 Subject to article 23 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, and
- (ii) in relation to the company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

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 23 1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

23 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

23 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)

24. INSURANCE

24 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

24 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