

Company Number: 05040327

**The Companies Act 1985
and
The Companies Act 1989
Company Limited by Shares
Written Resolutions
of
The Tanfield Food Company Limited
(Company)**

By written resolution dated 22 December 2006 all the members of the Company entitled to attend and vote at an extraordinary general meeting of the Company duly passed the following written resolutions to take effect as ordinary and special resolutions of the Company as appropriate:

1. that the authorised share capital of the Company be increased from £900,000 to £1,400,000 by the creation of £5,000,000 ordinary shares of £0.10 each in the capital of the Company having the rights and being subject to the restrictions set out in the articles of association of the Company;
2. that the regulations contained in the printed document enclosed with the draft written resolutions circulated to all of the shareholders in the capital of the Company entitled to attend and vote at a general meeting of the Company be and the same are hereby approved and adopted as the new articles of association (New Articles) of the Company in substitution for and to the exclusion of the existing articles of association hereof;
3. that subject to the passing of resolutions 1 and 2 above, the directors be generally and unconditionally authorised in accordance with section 80 of the Companies Act 1985 (Act) to exercise all the powers of the Company to allot and dispose of any relevant securities (as defined in that section) up to an aggregate nominal amount of the Company's authorised share capital (as increased pursuant to resolution 1 above) at any time or times during the period of five years from the date of this resolution and at any time thereafter pursuant to any offer or agreement made by the Company before the expiry of this authority; and
4. that the provisions of article 4.1 of the New Articles shall be released and disappplied in respect of the allotment of the following ordinary shares of 10 pence each in the capital of the Company (Ordinary Shares) at a price of 31.5 pence per share:
 - 4.1 269,590 Ordinary Shares to R McKechnie;
 - 4.2 107,136 Ordinary Shares to K Gill;
 - 4.3 78,636 Ordinary Shares to C Williams;
 - 4.4 34,364 Ordinary Shares to N Roberts;
 - 4.5 171,456 Ordinary Shares to C Blaxall;
 - 4.6 18,857 Ordinary Shares to K McKie;



- 4.7 306,484 Ordinary Shares to J Middleton;
- 4.8 159,091 Ordinary Shares to H McArdle;
- 4.9 119,048 Ordinary Shares to Ringtons Holdings Limited;
- 4.10 39,683 Ordinary Shares to D Smith;
- 4.11 87,518 Ordinary Shares to S Lepkowski;
- 4.12 11,364 Ordinary Shares to A Baird;
- 4.13 31,746 Ordinary Shares to S Nicholson;
- 4.14 11,364 Ordinary Shares to T Sisterson;
- 4.15 2,273 Ordinary Shares to A Graham;
- 4.16 2,273 Ordinary Shares to T Holloway;
- 4.17 476,190 Ordinary Shares to The North East Co-Investment Fund Limited; and
- 4.18 up to 793,651 Ordinary Shares to Hotbed Limited (Hotbed) or the persons nominated by Hotbed pursuant to the option agreement dated on or about the same date as these resolutions between Hotbed and the Company.


.....
Director

Company Number: 05040327

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RM

The Companies Act 1985
and
The Companies Act 1989
Company Limited by Shares

Certified a true and correct copy
of the original document

Signed.....

Robert Muckle LLP
Newcastle upon Tyne

Date.....19/01/07.....

Articles of Association

of

The Tanfield Food Company Limited

(adopted by Special Resolution passed on 22 December 2006)

robert SOLUTIONS muckle

Robert Muckle LLP
Norham House
12 New Bridge Street West
Newcastle upon Tyne
NE1 8AS

of the original document

Signed Robert MuckleRobert Muckle LLP
Newcastle upon TyneDate 12/01/07

1. Definitions

- 1.1 Unless the context otherwise requires in these Articles and in the regulations of Table A that apply to the Company the following words and expressions shall bear the meanings set opposite them:

"the Act" the Companies Act 1985 as amended;

"Change of Control" means the acquisition (whether by purchase, transfer, renunciation or otherwise or any interest in any Shares if upon that acquisition, the Third Party Purchaser, together with persons acting in concert or connected with him, would hold or beneficially own more than 50 per cent of the Shares;

"Connected Person" in relation to a body corporate as defined in Section 839 of the Income and Corporation Taxes Act 1988 and in relation to a person, that person and his spouse (if any);

"Director" a director for the time being of the Company;

"EBT" any employee benefit trust established by the Company;

"Investment Fund" a fund, partnership, company, investment trust or other entity whose principal business is to make investments and whose business is managed by persons whose principal businesses is to make, manage or advise upon investment;

"Ordinary Share" an ordinary share of £0.10 in the capital of the Company as hereinafter provided;

"Shareholder" a holder for the time being of Shares;

"Shares" shares in the capital of the Company;

"Table A" Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended and in force at the date of adoption of these Articles;

"Third Party Purchaser" means any purchaser who does not own any Shares at the time of the proposed purchase; and

"Transfer Notice" means as provided in article 13.

- 1.2 Unless the context otherwise requires, words and expressions contained in these Articles and the regulations of Table A apply to the Company and bear the same meaning as in the Act but excluding any statutory modification of it not in force when these regulations became binding on the Company.

- 1.3 The singular shall include the plural, and vice versa.
- 1.4 One gender shall include the other genders and words importing natural persons shall also include corporations.
- 1.5 The expression "Shareholder" includes his personal representatives.
- 1.6 The headings shall not affect the construction hereof and in the interpretation of these Articles.

2. Table A

- 2.1 The Regulations contained in Table A shall apply to the Company save insofar as they are excluded or modified by these Articles.
- 2.2 The first sentence of Regulation 24 and Regulations 64, 73-77 inclusive and 80 and the final sentence of Regulation 112 of Table A shall not apply.

3. Share Capital

The share capital of the Company at the date of adoption of these Articles is £1,400,000 divided into 14,000,000 Ordinary Shares of £0.10 each.

4. Allotment of Shares

- 4.1 Except for any shares to be issued pursuant to any share option scheme adopted by the Company any Shares for the time being unissued or from time to time created, shall before they are issued or before any right to subscribe for or convert securities into Shares in the Company or any option over Shares in the Company is granted ("the Offer Shares") be offered by the Directors to the holders of the Ordinary Shares pro rata in the proportion that the number of such ordinary Shares held by them respectively bears to the total number of such shares in issue ("the Offer").
- 4.2 The Offer shall be made by notice in writing specifying the number and class of Offer Shares offered and the price per share ("the Offer Price") and limiting a time (not being less than fourteen days or greater than twenty one days) within which the Offer, if not accepted, will be deemed to be declined.
- 4.3 Offerees who accept the Offer Shares ("the Accepting Offerees") shall not be entitled to accept Offer Shares that have not been accepted by other Offerees.
- 4.4 If the Shares comprised in the Offer are declined or deemed to be declined the Offer shall be withdrawn and the Directors may allot, grant options over or otherwise dispose of them to

such persons ("a Third Party Offeree") at such times and generally on such terms and conditions as they think proper ("Third Party Offer") provided that:

- 4.4.1 no Shares shall be issued at a discount;
- 4.4.2 no Offer Shares to which this Article 4 applies shall be issued more than three months after the expiry of the period for acceptance of the last offer of such Offer Shares made under Article 4.3 unless the procedure set out in this Article 4 is repeated in respect of such Offer Shares (and so that the time limit set out in Articles 4.2 and 4.3 shall apply equally to any repetition of that procedure);
- 4.4.3 no Shares shall be issued at a price less than that at which they were offered to a member of the Company in accordance with Article 4.1 and so that if the Directors are proposing to issue such Shares wholly or partly for non-cash consideration the cash value for the purposes of this sub-paragraph shall be as determined by the auditors who shall act as experts and not as arbitrators and whose determination shall be final and binding on the Company and each of its members.

4.5 The provisions of sections 89(1) and 90(1) to (6) of the Act shall not apply to the Company.

4.6 The Company shall have a first and paramount lien on every share for all moneys (whether presently payable or not) called or payable at a fixed time and in respect of that share, and the Company shall also have a first and paramount lien on all shares registered in the name of any person (whether solely or jointly with others) for all moneys owing to the Company from him or his estate either alone or jointly with any other person whether as a member or not and whether such moneys are presently payable or not. The Directors may at any time declare any share to be wholly or partly exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of it.

5. **Matters requiring consent of Shareholders**

5.1 In addition to any other authority required by law the following matters all require to be authorised by at least 80% of the Shareholders in writing:

- 5.1.1 calling of a meeting of the Company which in these Articles shall include the issue by the Company of a written resolution for the purpose of effecting any alteration increase reduction sub-division consolidation redemption or purchase of the authorised or issued capital of the Company or any of its subsidiaries, or any variation

of the rights attached to any of the shares for the time being in the capital of the Company or of any of its subsidiaries; or

5.1.2 disposing of the undertaking of the Company or of any of its subsidiaries or any substantial part thereof or the disposal of any share in the capital of any subsidiary of the Company; or

5.1.3 acquiring any company (whether by formation or otherwise) or the business and assets of any company; or

5.1.4 calling of a meeting of the Company for the purpose of winding up the Company; or

5.1.5 the appointment of an administrator; or

5.1.6 calling of a meeting of the Company to approve the redemption of any of the Company's shares or a contract by the Company to purchase any of its shares; or

5.1.7 calling of a meeting of the Company for the purpose of amending the Company's Memorandum or amending or adopting new Articles of Association of the Company; or

5.1.8 alteration of the Company's accounting reference date.

6. Adjourned Meetings

If a meeting is adjourned under Regulation 41 of Table A because a quorum is not present, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the shareholders present shall form a quorum, and Regulation 41 of Table A shall be modified accordingly.

7. Polls

A poll may be demanded by the Chairman or by any shareholder present in person or by proxy and having the right to vote at the meeting and Regulation 46(b) of Table A shall be modified accordingly.

8. Directors

8.1 Unless otherwise determined by ordinary resolution the number of Directors (other than alternate directors) shall be not less than two and not more than eight.

8.2 A Director shall not retire by rotation and a Director appointed to fill a casual vacancy or as an addition to the board shall not retire from office at the Annual General Meeting next following his appointment. Regulations 78 and 79 of Table A shall be modified accordingly.

8.3 The office of Director shall be vacated if the Director, in the reasonable opinion of all his co-directors, becomes incapable by reason of mental disorder of discharging his duties as Director, and Regulation 81 of Table A shall be modified accordingly.

8.4 Subject to the provisions of the Act and article 8.5 and provided that he has disclosed to the Board the nature and extent of any material interest of his, a Director may vote as a Director in relation to any contract or arrangement in which he is interested or upon any matter arising thereout and if he shall vote, his vote shall be counted. He may be reckoned in a quorum when any such contract or arrangement is under consideration and Regulation 95 shall be extended accordingly.

8.5 A Director may not vote at a meeting of the Board nor as a member of the Company in relation to any matter arising out of or in connection with a breach or purported breach or termination of his or her service agreement or contract of employment (as the case may be).

9. **Board Meetings**

Meetings of the board of Directors shall take place no less frequently than once every two calendar months and at least seven clear working days notice of each meeting shall be given to each Director provided that if a majority in number of the Directors agree to less frequent meetings and/or to a shorter period of notice, then board meetings may be called less frequently and/or on such agreed shorter period of notice. All meetings of the Board of Directors shall take place in the United Kingdom.

10. **Transfer of Shares**

10.1 The Directors shall not register the transfer of any Share or any interest in any Share unless the transfer:

10.1.1 is permitted by article 11 (Permitted Transfers); or

10.1.2 is made in accordance with article 12 (Voluntary Transfers), article 13 (Compulsory Transfers), article 14 (Come Along Option), or article 15 (Tag Along).

10.2 For the purpose of ensuring that a transfer of Shares is in accordance with these Articles or that no circumstances have arisen whereby an Ordinary Shareholder may be bound to give or be deemed to have given a Transfer Notice the Directors may from time to time require any Ordinary Shareholder or any person named as transferee in any transfer lodged for

registration to furnish to the Directors such information and evidence as is reasonably necessary for such purpose.

10.3 Failing such information or evidence being furnished to the reasonable satisfaction of the Directors within ten business days after request under article 10.2 the Directors may in their absolute discretion refuse to register the transfer in question or require by notice in writing to the Ordinary Shareholders concerned that a Transfer Notice be given in respect of the Shares concerned. If such information or evidence requested under article 10.2 discloses to the satisfaction of the Directors that circumstances have arisen whereby a Ordinary Shareholder may be bound to give or be deemed to have given a Transfer Notice, the Directors may in their absolute discretion by notice in writing to the Ordinary Shareholder(s) concerned require that a Transfer Notice be given in respect of the Shares concerned.

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

10.5 Regulations 30 and 31 shall be modified to reflect the provisions of this article 10 and Articles 12 to 15 (inclusive).

11. Permitted Transfers

11.1 Definitions

For the purposes of these Articles:

11.1.1 "Family Member" means, in relation to an Ordinary Shareholder, any of his spouse (or widow or widower), children (including step and adopted children) or grandchildren (including step and adopted grandchildren);

11.1.2 "Family Trust" means, in relation to a Ordinary Shareholder, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that Ordinary Shareholder or any of his Family Member and under which no power of control over the voting powers conferred by any Shares the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such Ordinary Shareholder or any of his Family Members;

11.1.3 "Permitted Transfer" means any transfer of Shares permitted under this article 11;
and

11.1.4 "Family Shares" means, in relation to a Ordinary Shareholder, the Shares from time
to time held by that Ordinary Shareholder or any of his Family Members or trustees of
his Family Trust;

11.2 Transfers to relations and trustees

11.2.1 Subject to article 11.2.2, any Ordinary Shareholder who is an individual may at any
time transfer Shares originally allotted to or transferred to and still held by him to a
person or persons shown to the reasonable satisfaction of the Directors to be:

11.2.1.1 a Family Member of his;

11.2.1.2 trustees to be held under a Family Trust for that an Ordinary Shareholder;
or

11.2.1.3 to the trustees of an EBT.

11.2.2 If any person has acquired Shares as a Family Member of a Ordinary Shareholder by
way of one or more Permitted Transfers and that person ceases to be a Family
Member of that Ordinary Shareholder, that person shall forthwith transfer all the
Shares then held by that person back to that Ordinary Shareholder, for such
consideration as they agree, within 28 days of the cessation or, in default of such
agreement, at the Market Value (calculated in accordance with article 12.14).

11.2.3 Within six months of the death of an Ordinary Shareholder, the survivor(s) (where he
was a joint holder) or his personal representatives (where he was a sole holder):

11.2.3.1 subject to article 11.2.2 may, if they are a person or persons to whom the
deceased Ordinary Shareholder could have transferred Shares under this
article 11 if he had remained the holder of them, elect to become
registered as the holders of any of the deceased Ordinary Shareholder's
Shares; or

11.2.3.2 subject to article 11.2.2, may transfer the deceased Ordinary
Shareholder's Shares to a person to whom the deceased Ordinary
Shareholder could have transferred Shares under this article if he had
remained the holder of them.

and regulations 29 and 30 shall be modified accordingly.

11.2.4 Without prejudice to the foregoing provisions, any shareholder who is a member of Hotbed Limited's investor member network may transfer Shares to any person who is also a member of Hotbed Limited's investor member network with the prior written consent of Hotbed Limited provided that such member is not a business which competes with the Company in the branded ambient ready meals food sector or is not a Company which operates such a business.

11.3 Transfers by EBT

An EBT shall be entitled to transfer or distribute shares according to its rules to any employee of the Company.

11.4 Permitted transfers by any Investor

11.4.1 Any Investor who is a body corporate shall be entitled to transfer all or any of its shares to any other body corporate which is for the time being its subsidiary or holding company or another subsidiary of its holding company (each such body corporate being a "Related Company") but if a Related Company whilst it is a holder of shares in the Company shall cease to be a Related Company in relation to the body first holding the relevant shares it shall, within 20 days of so ceasing, transfer the shares held by it to such body or any Related Company of such body and failing such transfer the holder shall be deemed to have given a Transfer Notice.

11.4.2 An Investor who is an Investment Fund may transfer shares to:

11.4.2.1 any unitholder, shareholder, partner, participant in or manager of or adviser to (or any employee of such manager or adviser) the Investment Fund;

11.4.2.2 any other Investment Fund managed or advised by the same manager or adviser as the transferring Investment Fund or to any Related Company of such manager or adviser; and

11.4.2.3 any trustee or nominee of or custodian for the Investment Fund or any other transferee under Articles 11.4.1, 11.4.2.1 or 11.4.2.2.

11.4.3 Any Investor which is a limited partnership may transfer shares to any partner in such limited partnership acting in such capacity (provided such transfer is made in

accordance with the fund or partnership agreement governing such entity or partnership).

11.4.4 Any shares which are held by an Investor on behalf of any collective investment scheme (within the meaning of Section 236 FSMA), may be transferred to participants (within the meaning of that section), in the scheme in question.

11.4.5 Any Investor who is a trustee or nominee of or a custodian for an Investment Fund shall be entitled to transfer all or any of its shares to the Investment Fund or to any of the persons referred to in Articles 11.4.1, 11.4.2.1 or 11.4.2.2.

12. Voluntary Transfers

12.1 Except as permitted under article 11 (Permitted Transfers) any Ordinary Shareholder who wishes to transfer any Share or any interest in any Share (a "Vendor") shall, before transferring or agreeing to transfer such Share or any interest in it, serve notice in writing (a "Transfer Notice") on the Company of his wish to make that transfer.

12.2 In the Transfer Notice the Vendor shall specify:

12.2.1 the number of Shares ("Sale Shares") which he wishes to transfer;

12.2.2 the identity of the person (if any) to whom the Vendor wishes to transfer the Sale Shares;

12.2.3 the price per share at which the Vendor wishes to transfer the Sale Shares (the "Proposed Sale Price");

12.2.4 any other terms relating to the transfer of the Sale Shares; and

12.2.5 whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the following provisions of this article 13 (a "Total Transfer Condition").

12.3 Each Transfer Notice shall:

12.3.1 constitute the Company as the agent of the Vendor for the sale of the Sale Shares on the terms of this article 12;

12.3.2 *save as provided in article 12.5, be irrevocable; and*

12.3.3 not contain or be deemed to contain a Total Transfer Condition unless the same is both expressly stated therein and permitted by these Articles.

- 12.4 The Sale Shares shall be offered for purchase in accordance with this article 12 at a price per Sale Share (the "Sale Price") agreed between the Vendor and the Directors or, in default of such agreement by the end of the twentieth business day after the date of service of the Transfer Notice, the lower of:
- 12.4.1 the Proposed Sale Price, in which case for the purpose of these Articles the Sale Price shall be deemed to have been agreed at the end of the twentieth business day;
or
- 12.4.2 if the Directors so elect within that twenty business day period after the date of service of the Transfer Notice, the price per share reported on by the auditors of the Company from time to time ("the Valuers") as their written opinion of the open market value of each Sale Share in accordance with article 12.14 ("the Market Value") as at the date of service of the Transfer Notice in which case the purposes of these Articles the Sale Price shall be deemed to have been determined on the date of the receipt by the Company of the Valuer's opinion.
- 12.5 If the Market Value is reported on by the Valuers under article 12.4.2 as being less than the Proposed Sale Price, the Vendor may revoke the Transfer Notice by written notice given to the Directors within the period (the "Withdrawal Period") of ten business days after the date of service on the Vendor of the Valuer's written opinion of the Market Value pursuant to article 12.15.
- 12.6 The Directors shall give an Offer Notice to all Shareholders to whom the Sale Shares are to be offered in accordance with these Articles at least ten business days after but no more than twenty business days after the expiry of the Withdrawal Period.
- 12.7 An Offer Notice shall expire thirty five business days after its service and shall:
- 12.7.1 specify the Sale Price;
- 12.7.2 contain the other details included in the Transfer Notice; and
- 12.7.3 invite the relevant offerees to apply in writing, before expiry of the Offer Notice, to purchase the numbers of Sale Shares specified by them in their applications.
- 12.8 After the expiry of the Offer Notice (or, if earlier, after valid applications have been received for all the Sale Shares) the Directors shall allocate the Sale Shares in accordance with the applications received, subject to the other provisions of these Articles, save that:

- 12.8.1 if there are applications of offerees for more than the number of Sale Shares available they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any Ordinary Shareholder of Shares more Sale Shares than the maximum number applied for by him) to the number of Shares which entitles them to receive such offer then held by them respectively;
- 12.8.2 if it is not possible to allocate any of the Sale Shares without involving fractions, they shall be allocated amongst the applicants in such manner as the Directors shall think fit; and
- 12.8.3 if the Transfer Notice contained a Total Transfer Condition, no allocation of the Sale Shares shall be made unless all the Sale Shares are allocated.
- 12.9 The Directors shall, within five business days of the expiry date of the Offer Notice, give notice in writing (a "Sale Notice") to the Vendor and to each person to whom Sale Shares have been allocated (each a "Purchaser") specifying the name and address of each Purchaser, the number of Sale Shares agreed to be purchased by him and the aggregate price payable for them.
- 12.10 Completion of a sale and purchase of Sale Shares pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Sale Notice (being a date not less than fifteen business days nor more than thirty business days after the date of the Sale Notice) when the Vendor shall, upon payment to him by a Purchaser of the Sale Price in respect of each of the Sale Shares allocated to that Purchaser, transfer those Sale Shares and deliver the relative share certificates to that Purchaser.
- 12.11 The Vendor may, during the period of one hundred and twenty days commencing twenty days after the expiry date of the Offer Notice, sell all or any of those Sale Shares for which a Sale Notice has not been given by way of bona fide sale to the proposed transferee (if any) named in the Transfer Notice or, if none is named, to any transferee at any price per Sale Share which is not less than the Sale Price, without any deduction, rebate or allowance to the proposed transferee, provided that if the Transfer Notice contained a Total Transfer Condition the Vendor shall not be entitled, save with the written consent of all of the other Ordinary Shareholders to sell only some of the Sale Shares under this article 12.11.

12.12 If a Vendor fails for any reason (including death) to transfer any Sale Shares when required pursuant to this article 12, the Directors may authorise any person (who shall be deemed to be irrevocably appointed as the attorney of the Vendor for the purpose) to execute the necessary transfer of such Sale Shares and deliver it on the Vendor's behalf. The Company may receive the purchase money for such Sale Shares from the Purchaser and shall upon receipt (subject, if necessary, to the transfer being duly stamped) register the Purchaser as the holder of such Sale Shares. The Company shall hold such purchase money in a separate bank account on trust for the Vendor but shall not be bound to earn or pay interest on any money so held. The Company shall only be bound to pay over those purchase monies upon receipt from the Vendor of the relative share certificate(s) in respect of the Sale Shares or, if the certificate(s) are lost or destroyed, an indemnity acceptable to the Company in that respect. The Company's receipt for such purchase money shall be a good discharge to the Purchaser who shall not be bound to see the application of it and, after the name of the Purchaser has been entered in the register of Ordinary Shareholders in purported exercise of the power conferred by this article 12.13, the validity of the proceedings shall not be questioned by any person.

12.13 If instructed to report on the Market Value under article 12.4 the Valuers shall:

12.13.1 act as expert and not as arbitrator and (in the absence of manifest error) their written determination shall be final and binding on the Ordinary Shareholders; and

12.13.2 proceed on the basis that the open market value of each Sale Share shall be the sum which a willing purchaser would agree with a willing vendor to be the purchase price for all the class of Shares of which the Sale Shares form part, divided by the number of issued Shares then comprised in that class but so that for this purpose the Shares sold ex dividend but taking no account of any premium or any discount by reference to the size of the holding the subject of the Transfer Notice or in relation to any restrictions on the transferability of the Sale Shares.

12.14 The Company will use its reasonable endeavours to procure that the Valuers deliver their written opinion of the Market Value to the Directors and to the Vendor within twenty eight days of being requested to do so.

12.15 The Valuers' fees for reporting on their opinion of the Market Value shall be borne as to one half by the Vendor and as to the other half by the Purchasers pro rata to the number of Sale Shares purchased by them unless:

12.15.1 the Vendor revokes the Transfer Notice pursuant to article 12.5; or

12.15.2 none of the Sale Shares are purchased by Ordinary Shareholders pursuant to this article 12;

when the Vendor shall pay all the Valuers' fees.

13. **Compulsory Transfers**

13.1 In this article 13, a "Transfer Event" occurs:

13.1.1 subject to article 13.6, if a Shareholder who is at any time a director or employee of the Company shall cease to hold such office or employment for any reason (other than a reason which also falls within article 13.1.1 and within the following twelve months the Board shall resolve that such event is a Transfer Event in relation to that Shareholder for the purposes of this article;

13.1.2 in relation to any Shareholder being a body corporate:

13.1.2.1 if that Shareholder shall have a receiver, manager or administrative receiver appointed over all or any part of its undertaking or assets; or

13.1.2.2 if that Shareholder shall have an administrator appointed in relation to it; or

13.1.2.3 if that Shareholder shall enter into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction); or

13.1.2.4 if that Shareholder shall have any equivalent action in respect of it taken in any jurisdiction;

and within the following twelve months the Board shall resolve that such event is a Transfer Event in relation to that Member for the purposes of this article.

13.2 Upon the making of a notification or resolution under article 13.1 that the same is a Transfer Event the Shareholder in respect of whom it is a Transfer Event (the "Relevant Shareholder") and any Family Shareholder who has acquired Shares from him under a Permitted Transfer (directly or by means of a series of two or more Permitted Transfers) shall be deemed to have

immediately given a Transfer Notice in respect of all the Shares then held by such Shareholder(s) (a "Deemed Transfer Notice"). A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Shares except for Shares which have been validly transferred pursuant to that Transfer Notice. For the purpose of this article 13.2, any Shares received by way of rights or on a capitalisation by any person to whom Shares may have been transferred (directly or by means of a series of two or more Permitted Transfers) shall also be treated as included within the Deemed Transfer Notice

Notwithstanding any other provision of these Articles any Shareholder holding Shares in respect of which a Deemed Transfer Notice is deemed given shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those Shares on and from the date of the relevant Deemed Transfer Notice until the entry in the register of Shareholders of the Company of another person as the holder of those Shares.

- 13.3 The Shares the subject of any Deemed Transfer Notice shall be offered for sale in accordance with article 12.4 and subject to the attorney provisions of article 12.12 as if they were Sale Shares in respect of which a Transfer Notice had been given and treating as the Vendor the person who is deemed to have given the Deemed Transfer Notice save that:

13.3.1 the Sale Price shall be a price per Sale Share agreed between the Vendor and the Board in default of agreement within twenty business days after the making of the notification or resolution under article 13.1 that the same is a Transfer Event, the Market Value;

13.3.2 the Vendor may retain any Sale Shares for which Purchasers are not found;

13.3.3 the Sale Shares shall be sold together with all rights, attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those Shares after that date; and

13.3.4 a Deemed Transfer Notice shall not contain or be deemed to contain a Total Transfer Condition.

- 13.4 For the purpose of article 13.1.3, the date upon which a Shareholder ceases to be an employee as described therein shall:

- 13.4.1 where the employer terminates a contract of employment by giving notice to the employee of the termination of the employment, whether or not the same constitutes a wrongful or unfair dismissal, be the date of that notice or, if later, the date (if any) for the termination expressly stated in such notice (whether or not a payment is made by the employer in lieu of all or part of the notice period required to be given by the employer in respect of such termination);
- 13.4.2 where the employee terminates a contract of employment by giving notice to the employer of the termination of the employment (whether or not he is lawfully able to do so), be the date of that notice or, if later, the date (if any) for the termination expressly stated in such notice;
- 13.4.3 subject to articles 13.4.1 and 13.4.2, where an employer or employee wrongfully repudiates the contract of employment and the other respectively accepts that the contract of employment has been terminated, be the date of such acceptance by the employee or employer respectively;
- 13.4.4 in any other case, the date on which the contract is terminated.
- 13.5 Once a Deemed Transfer Notice shall under these articles be deemed to have been served in respect of any Share then, save as permitted by the articles no Permitted Transfer under article 11 may be made in respect of such Share unless and until an Offer Notice shall have been served in respect of such Share and the period of allocation permitted shall have expired without such allocation.
14. **Come Along Option**
- 14.1 If at any time an offer is made to purchase all of the equity share capital of the Company which is acceptable to the holders of at least 80% in nominal value of the Shares those Shareholders who wish to accept the relevant offer ("the Selling Shareholders") shall have the option ("the Come Along Option") to require all the other holders of Shares to transfer all the Shares with full title guarantee to the party making the offer ("the Offeror") or as the Offeror shall direct in accordance with this article 14.
- 14.2 The Selling Shareholders may exercise the Come Along Option by giving notice to that effect (a "Come Along Notice") to all other Ordinary Shareholders (the "Called Shareholders") at any time before the registration of the transfer of Shares to the Offeror. A Come Along Notice

- shall specify that the Called Shareholders are required to transfer all their Shares (the "Called Shares") pursuant to article 14.1 to the Offeror, the cash consideration for which the Called Shares are to be transferred (determined in accordance with article 14.4), the proposed date of transfer and the identity of the Offeror.
- 14.3 A Come Along Notice is irrevocable but the Come Along Notice and all obligations thereunder will lapse if for any reason (other than due to a lack of agreement as described in article 14.8) there is not a transfer of Shares by the Selling Shareholders to the Offeror within one hundred and twenty days after the date of the Come Along Notice.
- 14.4 The Called Shareholders shall be obliged to sell the Called Shares for the cash consideration specified in the Come Along Notice which shall attribute an equal value to all Shares.
- 14.5 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Selling Shareholders' Shares unless:
- 14.5.1 all of the Called Shareholders and the Selling Shareholders agree otherwise; or
- 14.5.2 that date is less than seven days after the date of the Come Along Notice, where it shall be deferred until the seventh day after the date of the Come Along Notice.
- 14.6 Each of the Called Shareholders shall on service of the Come Along Notice be deemed to have irrevocably appointed each of the Selling Shareholders severally to be his attorney to execute any stock transfer and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Called Shares pursuant to this article 14. The rights of pre-emption and other restrictions contained in these articles shall not apply on any sale and transfer of Shares to the Offeror named in a Come Along Notice.
- 14.7 Any Transfer Notice served in respect of any Share shall automatically be revoked by the service of a Come Along Notice.
- 14.8 If upon service of a Come Along Notice in accordance with article 14.2, there is any dispute between the Selling Shareholders and the Called Shareholders as to the Sale Price for the purposes of article 13.2 and such dispute is not resolved within twenty one days of service of the Come Along Notice, the matter shall be referred to the Valuers by any Ordinary Shareholder. If a matter is so referred to the Valuers, the Valuers shall act as experts and not as arbitrators and (in the absence of manifest error) their written determination shall be final and binding on the Ordinary Shareholders. The Company shall use its reasonable

endeavours to procure that their written opinion on the matter in dispute is delivered to the Directors within 28 days of being requested to do so. The period from the date of the request to the Valuers and the date of delivery of the Valuer's opinion shall not be counted in calculating the time which has lapsed since the date of the Come Along Notice for the purposes of article 14.3. The Valuers' fees for reporting on such matter shall be borne as to one half by the Selling Shareholders and as to the other half by the Called Shareholders pro rata to the number of Shares held by them.

15. **Tag-Along**

15.1 Notwithstanding any other provision in these Articles no sale or transfer or other disposition of any interest in any Share (the "Specified Shares") shall have any effect if it would result in a Change of Control unless before the transfer is lodged for registration the Third Party Purchaser has made a bona fide offer in accordance with these Articles to purchase at the Specified Price (defined in article 15.3) all the Shares held by Ordinary Shareholders who are not acting in concert or otherwise connected with the Third Party Purchaser (the "Uncommitted Shares").

15.2 An offer made under article 15.1 shall be in writing open for acceptance for at least twenty one days, and shall be deemed to be rejected by any Ordinary Shareholder who has not accepted it in accordance with its terms within the time period prescribed for acceptance and the consideration thereunder shall be settled in full on completion of the purchase which shall take place within thirty days of the date of the offer.

15.3 For the purposes of article 15.1:

15.3.1 the expression "transfer" includes the renunciation of a renounceable letter of allotment; and

15.3.2 the expression "Specified Price" means in the case of Uncommitted Shares the higher of:

15.3.2.1 a price per share at least equal to the highest price paid or payable by the Third Party Purchaser or persons acting in concert with him or connected with him for any Shares within the last six months (including to avoid doubt the Specified Shares) plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or

receivable by the holders of the Specified Shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the Specified Shares Provided always that an equal value shall be attributed to all Shares including the Specified Shares; and

15.3.2.2 a price per share equal to the amount paid up or credited as paid up on issue of the Uncommitted Shares plus a sum equal to any accruals of the dividends grossed up to reflect the tax credit payable in respect of such dividend if paid at the date calculated down to the date the transfer is completed.

15.3.3 If any part of the Specified Price is payable otherwise than in cash any Ordinary Shareholder may require, as a condition of his acceptance of the offer, that he receives a cash equivalent to the Specific Price for all or any of the price offered for his Uncommitted Shares.

15.3.4 If the Specified Price or its cash equivalent cannot be agreed within 21 days of the proposed sale or transfer referred to in article 15.1 between the Third Party Purchaser and Ordinary Shareholders holding 80% of the Shares concerned (excluding the Third Party Purchaser and persons acting in concert or otherwise connected with him), it may be referred to the Valuers (acting as experts and not as arbitrators) by an Ordinary Shareholder for determination and, pending its determination, the sale or transfer referred to in article 15.1 shall have no effect.

15.3.5 The offer referred to in Article 15.1 shall be deemed to be open for a further period of 7 days after determination of the Specified Price by the Valuers and shall be deemed to be rejected by any Ordinary Shareholder who has not accepted it within this further time period.