

Private Company Limited by Shares
Articles of Association
of
DP9 LIMITED

Legal Clarity

Charles House, 148-149 Great Charles Street, Birmingham, B3 3HT
0121 314 9102
hello@legalclarity.co.uk

Table of contents

Introduction	1
1 Interpretation	1
2 Directors' decision making and general authority	4
3 Unanimous decisions.....	6
4 Calling a directors' meeting	6
5 Quorum for directors' meetings and casting vote	6
6 Committees and delegation.....	6
7 Transactions or other arrangements with the company	8
8 Directors' conflicts of interest	8
9 Records of decisions to be kept.....	9
10 Number of directors	9
11 Appointment, removal and retirement of directors and chair.....	9
12 Appointment and removal of alternate directors	10
13 Rights and responsibilities of alternate directors.....	11
14 Termination of alternate directorship	11
15 Secretary	12
Shares	12
16 Share Rights	12
17 Issue and Purchase of own shares.....	13
18 Transfers	13
19 Fair Price	14
20 Transfer provisions	15
21 Tag Along	17
Decision making by shareholders.....	20
23 Poll votes	20
24 Proxies.....	20
Administrative arrangements.....	20
25 Means of communication to be used	20
26 Indemnity	21
27 Insurance.....	22

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
DP9 LIMITED ("Company")
Company number: 05092507
(Adopted by written resolution passed on 12 September 2023)

Introduction

1 Interpretation

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

A Shares: means the A ordinary shares of £0.001 each in the capital of the Company.

A Shareholders: means the holders for the time being of the A Shares and **A Shareholder** shall be construed accordingly.

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).

Appointor: has the meaning given in article 12.1.

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

Asset Sale: means the disposal by the Company of all or a substantial part of its business and assets.

Acquisition Cost: means the price paid to acquire a Share (excluding any income tax or national insurance contributions arising as a result of the acquisition).

Board: means the board of directors of the Company from time to time.

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

Conflict: has the meaning given in article 8.1.

Controlling Interest: an interest in Shares giving the holder control of the Company within the meaning of section 450 of the Corporation Taxes Act 2010.

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 Share Options: means any share options granted by the Company pursuant to the proposed DP9 Limited 2023 Enterprise Management Incentive Scheme to be established following the adoption of these Articles or any other employees' share scheme (within the meaning of section 1166 of the Act) approved by the EOT Trustee.

EOT: means the DP9 Employee Ownership Trust, as constituted by a trust deed dated 22 August 2019 between the Company (1) and the EOT Trustee (2) (**Trust Deed**).

EOT Trustee: means DP9 Trustee Company Limited (registered with company no. 12106695) or such other trustee or trustees of the EOT from time to time.

ESOT: means the DP9 Employees' Share Trust, as constituted by a trust deed entered into by the Company (1) and the ESOT Trustee (2) (**ESOT Trust Deed**).

ESOT Trustee: means Intertrust Employee Benefit Trustee Limited or such other trustee or trustees of the ESOT from time to time.

Experts: means the Auditors or, if they are unwilling or unable to act, an independent firm of accountants or valuers appointed by the Company.

Fair Price: has the meaning given in article 19.

Group Companies or **Group:** means the Company and the Subsidiaries (if any) and **Group Company** shall be construed accordingly.

Hurdle Amount: means a sum equal to the amount outstanding from the EOT Trustee to the Sellers under the SPA from time to time (whether on account of the Purchase Price (as defined in the SPA) or any interest payable).

Leaver: means an A Shareholder who dies or otherwise ceases to be a director and/or employee of any Group Company.

Minimum Shareholding Condition: means, on a given day, a holding of Shares representing at least 2% of the total issued share capital of the Company by nominal value.

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.

Ordinary Shares: means the ordinary shares of £0.001 each in the capital of the Company.

Ordinary Shareholders: means the holders for the time being of the Ordinary Shares and **Ordinary Shareholder** shall be construed accordingly.

Repayment Date: means the date on which all payments due from the EOT Trustee to the Sellers under the SPA (whether on account of the Purchase Price (as defined in the SPA) or interest payable) have been paid in full (with effect that the Hurdle Amount is then zero).

Reserved Matters: means the matters set out in article 2.3.

Sellers: has the meaning given in the SPA.

Shareholders: means the holders for the time being of Shares and **Shareholder** shall be construed accordingly.

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

Share Sale: means the sale of (or the grant of a right to acquire or to dispose of) any of the Shares (in one transaction or as a series of transactions) which will result in the buyer of those Shares (or grantee of that right) and persons Acting in Concert together acquiring a Controlling Interest in the Company, except where the Shareholders and the proportion of Shares held by each of them following completion of the sale are the same as the Shareholders and their shareholdings in the Company immediately before the sale.

SPA: means the share purchase agreement dated 22 August 2019 between the Sellers, the EOT Trustee and the Company relating to the transfer of shares in the capital of the Company to the EOT Trustee.

Subsidiary: means any subsidiary (as defined in section 1159 of the Act) of the Company and **Subsidiaries** shall be construed accordingly.

Vendor: means any A Shareholder who serves a Transfer Notice under article 20.1 or who is deemed to have served a Transfer Notice under article 20.2.

Vendor Shares: means the A Shares held by a Vendor (or, in the case of a Transfer Notice served under article 20.1 in respect of some only of them, such number of those A Shares specified in the Transfer Notice).

- 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 7, 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17, 18(e), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the Company.

Directors

2 Directors' decision making and general authority

- 2.1** Any decision by the directors must be either a majority decision at a meeting at which each director who is present has a single vote or a decision taken in accordance with Article 3.
- 2.2** Subject to the Articles the directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company save that the written consent of the holders of more than 51% of the ordinary share capital of the company shall be required in order for the directors to take any action in respect of the Reserved Matters as set out in article 2.3 below.
- 2.3** The following are Reserved Matters:
 - 2.3.1** Making any changes to the Articles of Association of any Group Company;
 - 2.3.2** Making any alterations to the share capital of any Group Company or the rights attaching to any such shares;
 - 2.3.3** Issuing any shares or creating any debentures or other securities convertible into shares of any Group Company;
 - 2.3.4** Passing any resolution for the winding up, presenting any petition for administration or otherwise taking any step which may lead to the dissolution or winding up of a Group Company;

- 2.3.5** Paying any dividend, making any income distribution or seeking to capitalise any reserves (though for the avoidance of doubt this does not include any transfers of funds by the Company to the EOT Trustee for the purpose of enabling the EOT Trustee to make payments of deferred consideration under the SPA;
- 2.3.6** Entering into negotiations to or agreeing to a Group Company selling, transferring, assigning or disposing of all or a significant part of its business or of any of its shares;
- 2.3.7** Entering into any partnership or joint-venture or establishing any subsidiary business or supporting any third-party business venture;
- 2.3.8** Appointing or removing a director of any Group Company or entering into, terminating or altering any service agreement or employment contract of any such director (save for termination due to a material breach of such contract or agreement committed by the relevant director);
- 2.3.9** Establishing any pension, bonus, profit-sharing scheme or other long-term incentive scheme or plan for directors and/or employees beyond any required by law;
- 2.3.10** Entering into a contract, arrangement, commitment to incur expenditure or other transaction:
 - (a) on other than arms' length terms; or
 - (b) where the aggregate expenditure would exceed £100,000 in any one year; or
 - (c) its terms are of an unusual nature or outside the ordinary course of business.
- 2.3.11** Removing the EOT Trustee, appointing any other person to act as a trustee of the EOT or making any alterations to the Trust Deed;
- 2.3.12** Increasing the total remuneration (including bonuses) of any employee or consultant above £150,000 per annum, or agreeing to engage any new employee or consultant on terms providing total remuneration above £150,000 per annum or a contractual notice period of more than 9 months;
- 2.3.13** Paying any non-contractual bonus or other ex-gratia payment in excess of £50,000 to any director or employee;
- 2.3.14** Agreeing any material amendment to the terms of the financial facilities available to any Group Company from time to time or approving the terms and entry of any Group Company into additional debt finance, debt factoring or other related security agreements;

2.3.15 Making loans or payments or granting credit or providing guarantees or indemnities or other making commitments of any Group Company otherwise than in the normal course of business;

2.3.16 Effecting any material change in the accounting or reporting practices of any Group Company; and

2.3.17 Initiating litigation or arbitration other than for the purpose of debt collection, the defence of any client-related negligence claims and the enforcement of any restrictive covenants in the ordinary course of business.

2.4 Notwithstanding the provisions of article 2.3 above, the grant of any Employee Share Options and the issue to or transfer by the ESOT Trustee of any Shares in connection with the grant and subsequent exercise of any such Employee Share Options shall not constitute Reserved Matters for the purposes of articles 2.2 and 2.3 above.

3 Unanimous decisions

3.1 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.

3.2 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.

3.3 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.

4 Calling a directors' meeting

Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

5 Quorum for directors' meetings and casting vote

5.1 The quorum for the transaction of business at a meeting of directors is such number as comprises at least 66% of the directors then holding office.

5.2 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chair or other director chairing the meeting does not have a casting vote.

6 Committees and delegation

6.1 The directors may delegate any of the powers which are conferred on them under the Articles:

6.1.1 to such committee;

- 6.1.2** by such means;
- 6.1.3** to such an extent;
- 6.1.4** in relation to such matters; and
- 6.1.5** on such terms and conditions

as they think fit.

6.2 Following the adoption of these Articles the directors shall, as soon as reasonably practicable, create the following committees:

- 6.2.1** a remuneration committee (to oversee and report directly to the EOT Trustee in relation to all forms of remuneration (including, but not limited to director remuneration, employee remuneration, bonus schemes, pension schemes or share schemes) of all employees and directors);
- 6.2.2** an audit committee (to liaise with the Company's accountants and/or auditors in relation to the finances of the Company and the preparation of statutory accounts); and
- 6.2.3** an appointments committee (to make recommendations to the EOT Trustee in relation to the appointment and removal of directors)

6.3 The terms of reference (including all powers and responsibilities) of each of the committees referred to in article 6.2 above, and any other committees created in accordance with article 6.1 from time to time, shall be reduced to writing in such form as shall be notified by the EOT Trustee to the initial members of the relevant committee. Any change to the terms of reference of any such committee must be agreed in writing between the EOT Trustee and the members of the relevant committee from time to time.

6.4 The EOT Trustee shall appoint the initial members of each committee referred to in article 6.2 or created in accordance with article 6.1 and have the power to appoint or remove individual directors from each of the committees referred to in article 6.2 and any other committee created in accordance with article 6.1 at any time by notice in writing to the members of the relevant committee. No director may be appointed to or removed from any committee referred to in article 6.2 or created in accordance with article 6.1 by any person other than the EOT Trustee.

6.5 For the avoidance of doubt, any committee created in accordance with article 6.1 may approach the EOT Trustee directly to request written approval for any actions the committee proposes to take or decisions it proposes to make. Should the EOT Trustee give its written approval the directors may not take any action to oppose such actions or countermand such decisions.

7 Transactions or other arrangements with the company

7.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company:

7.1.1 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;

7.1.2 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;

7.1.3 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;

7.1.4 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;

7.1.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, anybody corporate in which the Company is otherwise (directly or indirectly) interested; and

7.1.6 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.

8 Directors' conflicts of interest

8.1 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**). Any such matter or situation may also be authorised by ordinary resolution.

8.2 Any authorisation by the directors under this article 8 will be effective only if:

8.2.1 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;

8.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and

8.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.

8.3 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.

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

8.5 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors 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.

9 Records of decisions to be kept

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.

10 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.

11 Appointment, removal and retirement of directors and chair

11.1 Directors will be appointed or removed by ordinary resolution of the members.

- 11.2** The chair will be appointed or removed by ordinary resolution of the members.
- 11.3** The directors shall procure that:
- 11.3.1** a meeting of the Company shall be held on or around the date falling two years after the date of adoption of these Articles (or such later date agreed by the EOT Trustee) at which all the directors shall retire from office, and
 - 11.3.2** a similar meeting at which all directors retire shall be held biannually thereafter.
- 11.4** At each meeting at which a director retires under the terms of this article 11, the retiring director shall, if willing to act, be deemed to have been reappointed unless:
- 11.4.1** the members have by ordinary resolution appointed another director specifically to act in place of the retiring director, or
 - 11.4.2** the members at the meeting resolve not to fill the vacancy, or
 - 11.4.3** a resolution for the reappointment of the director is put to the meeting and lost.
- 11.5** The provisions of this article 11 are subject to the terms of any existing agreement to which the Company is a party requiring the consent or agreement of any former shareholders of the Company in respect of any change in the directors of the Company.

12 Appointment and removal of alternate directors

- 12.1** Any director (**Appointor**) may appoint as an alternate any other director, or any other person approved by ordinary resolution of the members, to:
- 12.1.1** exercise that director's powers; and
 - 12.1.2** carry out that director's responsibilities,
- in relation to the taking of decisions by the directors, in the absence of the alternate's Appointor.
- 12.2** Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the directors. For the avoidance of doubt neither the appointment nor the removal of an alternate requires Board consent.
- 12.3** The notice must:
- 12.3.1** identify the proposed alternate; and
 - 12.3.2** in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

13 Rights and responsibilities of alternate directors

- 13.1** An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's Appointor.
- 13.2** Except as the Articles specify otherwise, alternate directors:
- 13.2.1** are deemed for all purposes to be directors;
 - 13.2.2** are liable for their own acts and omissions;
 - 13.2.3** are subject to the same restrictions as their Appointors; and
 - 13.2.4** are not deemed to be agents of or for their Appointors
- and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his Appointor is a member.
- 13.3** A person who is an alternate director but not a director:
- 13.3.1** may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's Appointor is not participating);
 - 13.3.2** may participate in a unanimous decision of the directors (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate); and
 - 13.3.3** shall not be counted as more than one director for the purposes of article 13.3.
- 13.4** A director who is also an alternate director is entitled, in the absence of his Appointor, to a separate vote on behalf of his Appointor, in addition to his own vote on any decision of the directors (provided that his Appointor is an Eligible Director in relation to that decision).
- 13.5** An alternate director may be paid expenses and may be indemnified by the company to the same extent as his Appointor but shall not be entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the company.

14 Termination of alternate directorship

An alternate director's appointment as an alternate terminates:

- 14.1** when the alternate's Appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;
- 14.2** on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a director;
- 14.3** on the death of the alternate's Appointor; or

14.4 when the alternate's Appointor's appointment as a director terminates.

15 Secretary

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

16 Share Rights

16.1 Dividends

Any amounts which the Company may determine to declare or pay by way of dividend or other distribution shall be distributed to the holders of Ordinary Shares only so that each Ordinary Shareholder receives the same amount per Share. The A Shares carry no right to any dividend or other distribution.

For the avoidance of doubt, any capital contribution or distribution may be made to the EOT Trustee for the purpose of enabling payments to be made under the SPA without any distribution being made to any other Shareholders.

16.2 Voting

Each Ordinary Share shall carry one vote.

The A Shares carry no voting rights, nor any right to receive notice of, attend or vote at general meetings.

16.3 Return of capital

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

16.3.1 first, in paying to the holders of the Ordinary Shares an amount equal to the Hurdle Amount which shall be distributed to the holders of the Ordinary Shares pro rata to the number of Ordinary Shares held;

16.3.2 thereafter, in distributing the balance among the holders of the Ordinary Shares and the A Shares pro rata to the number of Shares held, as if they all constituted Shares of the same class.

16.4 Share Sale

The proceeds of a Share Sale shall be distributed in the order of priority

set out in article 16.3. The Board shall not register any transfer of Shares if the proceeds of a Share Sale are not distributed in that manner.

16.5 Asset Sale

On an Asset Sale, the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully able to do so) in the order of priority set out in article 16.3. If it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall take any action required by the Ordinary Shareholders (including any actions that may be necessary to put the Company into voluntary liquidation so that article 16.3 applies).

16.6 Variation of class rights

The rights attached to the Ordinary Shares or A Shares may only be varied or abrogated, in any manner adversely affecting the rights attaching to the Ordinary Shares or A Shares (either whilst the Company is a going concern or during or in contemplation of a winding up), with the consent in writing of the holders of at least 75% in nominal value of the issued Ordinary Shares or A Shares, as the case may be.

16.7 Redemption

None of the Shares are redeemable.

17 Issue and Purchase of own shares

17.1 Notwithstanding any other provision of these Articles, no issue or purchase of any Shares or any class of Shares shall take effect if, as a result, the EOT Trustee would cease to satisfy the Controlling Interest Requirement in Section 236M Taxation of Chargeable Gains Act 1992.

17.2 Shares may be issued pursuant to any Employee Share Options and the Shareholders shall grant all necessary consents and authorities under the Act or otherwise in respect of any such issue of Shares.

17.3 Subject to the Act and article 17.1, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act.

18 Transfers

18.1 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.

18.2 Save as provided in articles 20, 21 and 22, no A Share shall be transferred by an A Shareholder.

- 18.3** Any Share may be transferred by the EOT Trustee to any new trustee(s) of the EOT or any other person in accordance with the terms of the Trust Deed.
- 18.4** Any Share may be transferred by the ESOT Trustee to any new trustee(s) of the ESOT or any other person in accordance with the terms of the ESOT Trust Deed (including in satisfaction of the exercise of any Employee Share Options).
- 18.5** No Share shall be transferred, and the directors shall refuse to register a transfer of any Share if, as a result, the EOT Trustee would cease to satisfy the Controlling Interest Requirement in Section 236M Taxation of Chargeable Gains Act 1992.
- 18.6** The Board shall refuse to register any transfer of Shares made in contravention of the provisions of these Articles but shall not otherwise be entitled to refuse to register any transfer of Shares and Model Article 26(5) shall be amended accordingly. For the purpose of ensuring that a particular transfer of Shares is permitted under the provisions of these Articles, the Board may request the transferor, or the person named as transferee in any transfer lodged for registration, to furnish the Company with such information and evidence as the Board may reasonably think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the Board within a period of 28 days after such request the Board shall be entitled to refuse to register the transfer in question.

19 Fair Price

19.1 For the purposes of these Articles, **Fair Price** shall mean:

- 19.1.1** the price per Vendor Share which the Board determines and states in writing to be in its opinion the fair value of each of the Vendor Shares on a sale as between a willing seller and a willing purchaser; or
- 19.1.2** if a Vendor is unwilling to accept the determination of the Board and prepared to meet the cost of instructing Experts, such price as Experts (acting as experts and not as arbitrators), upon the request of the Board, shall state in writing to be in their opinion the fair value of each of the Vendor Shares on a sale as between a willing seller and a willing purchaser. In determining such fair value, the Experts shall be instructed in particular to have regard to:
- (a) the rights and restrictions attached to such shares in respect of income and capital;
 - (b) whether or not such shares represent a minority interest; and
 - (c) whether such shares do or do not carry control of the Company.

Furthermore, if the Company is then carrying on business as a going concern, they shall assume that it will continue to do so.

- 19.2** If the Experts are asked to certify the Fair Price as aforesaid, their certificate or determination shall be delivered to the Company and as soon as the Company receives such certificate or determination it shall furnish a copy thereof to the Vendor. The costs of obtaining the certificate or determination shall be borne by the Vendor. The parties shall, in the absence of manifest error, be bound by the determination of the Experts. In making any determination, the Experts shall be at liberty (at the cost of the Vendor) to seek such advice (including legal advice) as they consider necessary in respect of the same.

20 Transfer provisions

- 20.1** Any A Shareholder who

20.1.1 has not become a Leaver, and

20.1.2 satisfies the Minimum Shareholding Condition

may, at any time after the Repayment Date, serve a notice in writing on the Company (**Transfer Notice**) offering to sell all or some only of the A Shares then held by him (and if some only, the number of such A Shares shall be specified in the Transfer Notice) in accordance with the following provisions of this article 20.

- 20.2** Any A Shareholder who becomes a Leaver shall be deemed to have served a Transfer Notice in respect of the whole of his holding of A Shares upon the date specified by the Board.

- 20.3** Subject to the Act, following service or deemed service of a Transfer Notice under article 20.1 or article 20.2, the Vendor shall be bound to sell the Vendor Shares, and either:

20.3.1 the Company shall purchase them (to the extent that it is lawfully able to do so in accordance with the Act out of its available distributable profits and to the extent it has cash available); and/or

20.3.2 the EOT Trustee shall purchase them (to the extent that either the EOT Trustee has cash available to make such a purchase or that the Company is lawfully able to finance the same by way of a capital contribution or other distribution out of its available distributable profits and to the extent it has cash available).

- 20.4** Subject as provided in this article 20, a Transfer Notice shall constitute the Company the Vendor's agent for the sale of the Vendor Shares.

- 20.5** As soon as reasonably practicable following the receipt of one or more Transfer Notices, the Fair Price shall be determined in accordance with article 19 as at (or as close as reasonably practicable to) the date specified in article 20.6.1 below.

- 20.6** The price per Vendor Share (**Sale Price**) shall be determined as follows:
- 20.6.1** in the event of a Transfer Notice served under article 20.1 the Sale Price shall be the Fair Price, which shall be calculated as at (or as close as reasonably practicable to) the date of the relevant Transfer Notice; or
 - 20.6.2** in the event of a Transfer Notice deemed to be served under article 20.2, the Sale Price shall be an amount equal to the Leaver's Acquisition Cost.
- 20.7** The Board shall, within 28 days of the date of leaving, date of agreement or determination of the Sale Price, give written notice (the **Purchase Notice**) to the Vendor, and such notice shall include:
- 20.7.1** details of the Sale Price;
 - 20.7.2** the number of Vendor Shares which the Company and/or the EOT Trustee is able to purchase at the Sale Price in accordance with the provisions of article 20.3 above, and will accordingly purchase in accordance with this article 20 (**Sale Shares**);
 - 20.7.3** the number of Sale Shares to be purchased by each of the Company and/or EOT Trustee; and
 - 20.7.4** the completion date for the transfer of the Sale Shares (**Completion Date**).
- 20.8** If the Company is to purchase some or all of the Sale Shares, the Company, the Vendor and the other Shareholders shall exercise all voting and other rights available to them to procure that such purchase is completed in accordance with the provisions of the Act upon the Completion Date.
- 20.9** On the Completion Date, the Vendor shall, against payment from the EOT Trustee or the Company of the Sale Price for each Sale Share, transfer the Sale Shares to the EOT Trustee or the Company, and each of the Vendor, the Company and EOT Trustee (as necessary) shall take all steps (including the execution of all necessary documents) to complete such transfer.
- 20.10** If the Vendor fails to comply with article 20.8 or article 20.9, any director of the Company, or any other person authorised by the Board may, as agent or attorney on behalf of the Vendor:
- 20.10.1** complete, execute and deliver in his name all documents necessary to give effect to the transfer or purchase by the Company of the relevant Sale Shares (including as necessary a transfer form, contract for purchase by the Company, and a share certificate indemnity in each such case in a form acceptable to the Board);
 - 20.10.2** receive the Sale Price for any or all of the Sale Shares and give a good discharge for it (and no person shall be obliged to see to the distribution of the Sale Price); and

20.10.3 (subject to the transfer being duly stamped) enter the EOT Trustee in the register of Shareholders as the holders of the Sale Shares purchased by them; and

20.10.4 take all necessary steps in relation to any purchase by the Company of any of the Sale Shares.

20.11 The Company shall pay the Sale Price for each of the Sale Shares into a separate bank account in the Company's name on trust (but without interest) for the Vendor until he has delivered his certificate(s) for the relevant Sale Shares (or an indemnity, in a form reasonably satisfactory to the Board, 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 Sale Shares) to the Company.

20.12 Any Sale Shares transferred to the EOT Trustee pursuant to the provisions of this article 20 above shall be re-designated automatically as Ordinary Shares upon completion of such transfer.

21 Tag Along

21.1 The provisions of this article 21 shall apply if one or more (but not all) Shareholders (for the purpose of this clause the "**Sellers**") propose to enter into a Share Sale ("**Proposed Transfer**").

21.2 Before making a Proposed Transfer, the Seller(s) shall procure that the proposed buyer ("**Buyer**") makes an offer ("**Offer**") to all Shareholders for the time being to purchase all of the Shares held by each of the Shareholders for a consideration in cash to which each such Shareholder is entitled in accordance with the provisions of article 16.4 ("**Specified Price**").

21.3 The Offer shall be given by written notice ("**Offer Notice**"), at least 15 Business Days before the proposed date of completion of the Proposed Transfer ("**Transfer Date**"). To the extent not described in any accompanying documents, the Offer Notice shall set out:

21.3.1 the identity of the Buyer;

21.3.2 the Specified Price and other terms and conditions of payment;

21.3.3 the Transfer Date; and

21.3.4 the number of Shares proposed to be purchased by the Buyer ("**Offer Shares**").

21.4 If the Buyer fails to make the Offer in accordance with article 21.2 and article 21.3, the Sellers shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer.

- 21.5** If the Offer is accepted by any Shareholder in writing within 10 Business Days of receipt of the Offer Notice, the completion of the Proposed Transfer shall be conditional on completion of the purchase of the Offer Shares held by such Shareholder.

22 Drag Along

- 22.1** If any Shareholder or Shareholders ("**Sellers**") propose to enter into a Share Sale whereby they will transfer all (but not some only) of their Shares to a bona fide arm's length purchaser ("**Proposed Buyer**"), the Sellers shall have the option ("**Drag Along Option**") to require all other Shareholders ("**Called Shareholders**") to sell and transfer all of their Shares ("**Called Shares**") to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this article 22.
- 22.2** The Sellers may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholders ("**Drag Along Notice**") at any time before the transfer of the Shares to the Proposed Buyer. The Drag Along Notice shall specify:
- 22.2.1** that the Called Shareholders are required to transfer all of their Called Shares pursuant to this article 22;
 - 22.2.2** the person to whom the Called Shares are to be transferred;
 - 22.2.3** the purchase price payable for the Called Shares which shall be a consideration in cash to which each Called Shareholder is entitled in accordance with the provisions of article 16.4; and
 - 22.2.4** the proposed date of the transfer.
- 22.3** Once issued, a Drag Along Notice shall be irrevocable but shall lapse if, for any reason, the Sellers have not sold their Shares to the Proposed Buyer within 15 Business Days of serving the Drag Along Notice. The Sellers may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 22.4** Each of the Called Shareholders shall be obliged to give the same warranties and indemnities as the Sellers give to the Proposed Buyer and to pay the legal costs of the Shareholders in proportion to the number of Shares held by that Shareholder.
- 22.5** No Drag Along Notice shall require the Called Shareholders to agree to any terms except those specifically set out in this article 22.
- 22.6** Completion of the sale of the Called Shares shall take place on the date proposed for completion of the sale of the Sellers' Shares ("**Completion Date**") unless:
- 22.6.1** the Sellers and the Called Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of them; or

- 22.6.2** that date is less than 10 Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the 10th Business Day after service of the Drag Along Notice.
- 22.7** On or before the Completion Date, the Called Shareholders shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnities for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts due pursuant to article 22.2.3 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price 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.
- 22.8** If any Called Shareholder does not, on or before the Completion Date, execute and deliver transfer(s) in respect of all of the Called Shares held by them, the defaulting Called Shareholders shall be deemed to have irrevocably appointed any person nominated by the Sellers to be their agent to execute all necessary transfer(s) on their behalf, against receipt by the Company (on trust for such Called Shareholder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the holder thereof. After the Proposed Buyer (or the Proposed Buyer's nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of Shares under this article 22.8.
- 22.9** Following the issue of a Drag Along Notice, upon any person becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of a pre-existing option to acquire Shares in the Company or on the conversion of any convertible security of the Company, warrant or other right to acquire or subscribe for Shares ("**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all Shares acquired by it to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this article 22 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of such Shares shall take place on the Completion Date or immediately upon the New Shareholder becoming a Shareholder of the Company, if later.

Decision making by shareholders

23 Poll votes

- 23.1** 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.
- 23.2** 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.

24 Proxies

- 24.1** 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".
- 24.2** 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

25 Means of communication to be used

- 25.1** Subject to article 25.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
 - 25.1.1** 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
 - 25.1.2** 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 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
 - 25.1.3** 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
 - 25.1.4** if sent or supplied by e-mail, upon acknowledgement of receipt of such email ; or

25.1.5 if deemed receipt under the previous paragraphs of this article 25.1 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.

25.2 To prove service, it is sufficient to prove that:

25.2.1 if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or

25.2.2 if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or

25.2.3 if sent by e-mail, receipt has been acknowledged.

26 Indemnity

26.1 Subject to article 26.3, but without prejudice to any indemnity to which a relevant officer is otherwise entitled, 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:

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

(b) in relation to the Company's (or any associated company's) activities as trustee of an employee ownership trust or other trust for the benefit of employees or an occupational pension scheme,

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.

26.2 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 26.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

26.3 This article 26 does not authorise any indemnity which would be prohibited or rendered void by any provision of Act or by any other provision of law.

26.4 In this article 26:

26.4.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

26.4.2 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 employee ownership trust or other trust for the benefit of employees or an occupational pension scheme.

27 Insurance

27.1 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.

27.2 In this article:

27.2.1 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 employee ownership trust or other trust for the benefit of employees or an occupational pension scheme;

27.2.2 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, any employee ownership trust or other trust for the benefit of employees or any pension fund or employees' share scheme of the Company or associated company; and

27.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.