

THE COMPANIES ACT 2006  
A PRIVATE COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION  
OF  
CARE OUTLOOK LTD  
(the "Company")

(Adopted by special resolution passed on 16 December 2022)

1. Interpretation

1.1. In these Articles, unless the context otherwise requires:

Accepting Shareholders: has the meaning given in article 19.2;

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 from time to time);

Adoption Date: the date of adoption of these Articles;

Allocation Notice: has the meaning given in article 17.9;

Applicant: has the meaning given in article 17.9;

A Shares: means the A ordinary shares of £1.00 each in the capital of the Company;

Appointor: has the meaning given in article 8.1;

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

Available Profits: means the profits available for distribution within the meaning of part 23 of the Act;

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

B Shares: means the B ordinary shares of £1.00 each in the capital of the Company;

Business Day: means any day (other than a Saturday, Sunday or public holiday) in England when banks in London are open for the transaction of normal banking business;

Buyer: has the meaning given in article 20.1;

Called Shareholders: has the meaning given in article 19.3;

Conflict: has the meaning given in article 5.1;

Consideration: has the meaning given in article 17.9;

Continuing Shareholders: has the meaning given in article 17.7;

Controlling Interest: means an interest in shares giving to the holder or holders control of a company within the meaning of section 840 of the Income and Corporation Taxes Act 1988;

directors: means the directors of the Company from time to time and director means any one of them;

Drag Notice: has the meaning given in article 19.3;

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);

Expert: means the auditors or accountants for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the Company and the Seller or, in the absence of agreement between the Company and the Seller on the identity of the expert within 10 Business Days, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator);

Fair Value: in relation to Shares, as determined in accordance with article 17.16;

Financial Year: means an accounting reference period (as defined in section 391 of the Act) of the Company;

Group: means the Company and its Subsidiaries (if any) from time to time. References to a Group Company are to any one or more of those companies;

Indemnity: has the meaning given in article 19.4;

Interested Director: has the meaning given in article 5.1;

Issue Price: means the price at which the relevant Share is issued, being the aggregate of the amount paid up or credited as paid up in respect of the nominal value thereof and any share premium thereon;

Minimum Transfer Condition: has the meaning given in article 17.3(d);

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 Adoption Date;

Offer: has the meaning given in article 20.2;

Offer Notice: has the meaning given in article 20.3;

Offeror: has the meaning given in article 19.1;

Offer Period: has the meaning given in article 20.3;

Offer Shares: has the meaning given in article 20.3;

Original Member: has the meaning given in article 16.1;

Permitted Group: means, in relation to a company (wherever incorporated), any wholly-owned Subsidiary of that company, any company of which it is a Subsidiary (its Holding Company) and any other Subsidiaries of any such Holding Company, and each company in a Permitted Group is a member of the Permitted Group. Unless the context otherwise requires, the application of the definition of Permitted Group to any company at any time will apply to the company as it is at that time;

Permitted Member: has the meaning given in article 16.1;

Permitted Transfer: means a transfer of Shares in accordance with article 16;

Proposed Transfer: has the meaning given in article 20.1;

Proposed Transfer Price: has the meaning given in article 17.3(c);

Qualifying Offer: has the meaning given in article 19.1;

Sale Date: has the meaning given in article 20.4;

Sale Offer Period: has the meaning given in article 17.7;

Seller: has the meaning given in article 17.4;

Shareholder: means a holder of Shares in the capital of the Company from time to time;

Share Option Scheme: means any share option scheme of the Company which the Shareholders identify in writing as being a Share Option Scheme for the purposes of these Articles;

Shares: means all A Shares and B Shares for the time being in issue;

Sale Shares: has the meaning given in article 17.3(a);

Specified Price: has the meaning given in article 20.2;

Subsidiary: in relation to a company wherever incorporated (Holding Company) means "subsidiary" as defined in section 1159 of the Act and any other company which is itself a Subsidiary (as so defined) of a company which is itself a Subsidiary of such Holding Company. Unless the context requires otherwise, the application of the definition of Subsidiary to any company at any time shall apply to the company as it is at that time;

Transfer Notice: means a notice in writing given by any Shareholder to the Company where that Shareholder desires to transfer (or enter into an agreement to transfer) any Shares;

Transfer Price: has the meaning given in article 17.6.

- 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 but excluding any statutory modification of them not in force on the date when these Articles become binding on the Company.
- 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. Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.6. A reference to an undertaking shall mean an undertaking as defined in section 1161(1) of the Act.
- 1.7. Save as expressly provided otherwise in these Articles, any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.

2. ADOPTION OF THE MODEL ARTICLES

2.1. The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.

2.2. Articles 6(2), 7, 8, 9(1), 14, 16, 17, 22, 26(5), 27 to 29 (inclusive), 36, 38, 39, 43, 44(2) and 50 to 53 (inclusive) of the Model Articles shall not apply to the Company.

2.3. Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".

2.4. Articles 31(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide"

3. NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum but shall not be less than one. A sole director shall have all the powers, duties and discretions conferred on or vested in the directors by these articles.

4. PROCEEDINGS OF DIRECTORS

4.1. Subject to article 4.3, the quorum for the transaction of business at a meeting of directors is any two Eligible Directors including the chairman or, where there is only one director in office for the time being, that director. A sole director may exercise all the powers of the Company.

4.2. If a quorum is not present within 30 minutes of the time specified for a Board meeting or, if during the meeting, a quorum ceases to be present, the meeting shall be adjourned for 7 Business Days at the same time and place. If a quorum is not present within 30 minutes of the time fixed for the adjourned meeting, those directors present will constitute a quorum.

4.3. For the purposes of any meeting (or part of a meeting) held pursuant to article 5 to authorise a Conflict, if there are fewer than two Eligible Directors in office other than the Interested Director(s), the quorum for such meeting (or part of a meeting) shall be the Eligible Director(s).

4.4. A person may participate in a meeting of the directors or of a committee of directors by means of electronic communication provided that throughout the meeting all persons participating in the meeting are able to communicate interactively and simultaneously with all other parties participating in the meeting notwithstanding accidental disconnection of the means of electronic communication during the meeting. A person participating in a meeting in this manner shall be deemed present in person at the meeting and shall be entitled to vote and be counted in the quorum.

4.5. The chairman of the Board from time to time shall have a second or casting vote in the event of an equality of votes at meetings of the Board.

4.6. Subject to the provisions of the Act, the directors may appoint one or more of their number to the office of managing director(s) or to any other executive office under the Company and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made on such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate (unless the terms of his appointment provide otherwise) if he ceases to be a director but without prejudice to any claim for damages for breach of the contract of service between the director and Company.

5. DIRECTORS' INTERESTS

5.1. The directors (and, where specified, Shareholders) 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 (Interested Director) breaching his duty under section 175 of the Act to avoid conflicts of interest (Conflict).

5.2. Any authorisation under this article will be effective only if:

- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine,
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director,
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted, and
- (d) where there are no Eligible Directors the Shareholders have authorised the relevant matter or situation by ordinary resolution.

5.3. Any authorisation of a Conflict under this article may (whether at the time of giving the authorisation or subsequently):

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict,
- (c) provide that the Interested Director will or will not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict,
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit,
- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged

to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence, and

- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.

- 5.4. Where the directors or shareholders authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors or Shareholders in relation to the Conflict.
- 5.5. The directors or Shareholders, as the case may be, 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.
- 5.6. A director, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, the Shareholder who appointed him as a director of the Company, or any other member of such Shareholder's Permitted Group and no authorisation under article 5.1 shall be necessary in respect of any such interest.
- 5.7. Any director appointed by a corporate Shareholder shall be entitled from time to time to disclose to that Shareholder such information concerning the business and affairs of the Company as he shall at his discretion see fit.
- 5.8. 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 in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 5.9. Subject to sections 177(5) and 177(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the Act.
- 5.10. Subject to sections 182(5) and 182(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under article 5.9.
- 5.11. Subject, where applicable, to any terms and conditions imposed by the directors or Shareholders, as the case may be, in accordance with article 5.3, and provided a director 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:

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

#### 6. 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.

#### 7. APPOINTMENT AND REMOVAL OF DIRECTORS

##### 7.1. No person shall be appointed a director at any general meeting unless:

- (a) he is recommended by the directors, or
- (b) not less than 14 or more than 35 clear days before the date appointed for the meeting, notice executed by a Shareholder qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment stating the particulars which would, if he were so appointed, be required to be included in the Company's register of directors together with notice executed by that person of his willingness to be appointed.

##### 7.2 Not less than 7 nor more than 28 clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person who is recommended by the directors for appointment as a director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment as a director. The notice

shall give particulars of that person which would, if he were so appointed, be required to be included in the Company's register of directors.

7.3 Subject as aforesaid the Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director.

7.4 The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any maximum number of directors that may be fixed by ordinary resolution.

## 8. ALTERNATE DIRECTORS

8.1 Any director (other than an alternate director) (appointor) may appoint any other director to be an alternate director to exercise that director's powers, and carry out that director's responsibilities, in relation to the taking of decisions by the directors, in the absence of the alternate's appointor. A person may be appointed an alternate director by more than one director.

8.2 An alternate director has the same rights, in relation to any decision of the directors, as the alternate's appointor.

8.3 Except as the Articles specify otherwise, alternate directors:

- (a) are deemed for all purposes to be directors,
- (b) are liable for their own acts and omissions,
- (c) are subject to the same restrictions as their appointors, and
- (d) are not deemed to be agents of or for their appointors,

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

8.4 A person who is an alternate director but not a director:

- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating), and
- (b) may participate in a unanimous decision of the directors (but only if his appointor is an Eligible Director in relation to that decision and does not himself participate).

8.5 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).

8.6 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's appointor as the appointor may by notice in writing to the Company from time to time direct.

8.7 An alternate director's appointment as an alternate terminates:



- (a) when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,
- (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director, or
- (c) when the alternate director's appointor ceases to be a director for whatever reason.

## 9. SHARES

9.1 There shall be no limit on the Company's authorised share capital.

9.2 The Shares shall rank *pari passu* in all respects subject to the rights and restrictions contained in these Articles including articles 10, 11 and 12 but shall constitute separate classes of shares.

9.3 On the death of the holder of the B Share that Share shall automatically convert in to one A Share without further approval or resolutions of the Company or Shareholders.

## 10. CAPITAL DISTRIBUTIONS

Capital returns and distributions shall be dealt with as agreed between the members and the Company from time to time.

## 11. DIVIDENDS

The Available Profits which the Company may determine to distribute in respect of any Financial Year shall be applied in paying to the holders of the respective classes of Shares dividends at such respective rates as the Company in general meeting shall determine and so that a dividend or dividends may be declared on one or more class of Share to the exclusion of any other class or classes of Share and that dividends at different rates may be declared on the respective classes of Share. The directors may pay an interim dividend or dividends provided that the Available Profits of the Company justify the payment and may pay interim dividends at different rates on the respective classes of Share. These provisions are subject to agreement between the members and the Company from time to time.

## 12. VOTING RIGHTS

12.1 On a show of hands, every Shareholder holding one or more A Shares, who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have one vote.

12.2 On a poll, every Shareholder holding one or more A Share, who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have one vote for each A Share of which he is the holder.

12.3 The B Share does not confer on the holder thereof any right to receive notice of, or to attend or vote at a general meeting of the Company.

## 13. UNISSUED SHARES

- 13.1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.
- 13.2 Save as otherwise determined by special resolution, if the Company proposes to allot any Shares (other than any equity securities to be held under a Share Option Scheme), those Shares shall not be allotted to any person unless the Company has first offered them to all of the holders of A Shares on the date of the offer on the same terms, and at the same price, as those Shares are being offered to other persons holding A Shares on a pari passu and pro rata basis to the number of A Shares held by the holders (as nearly as possible without involving fractions). The offer:
- (a) shall be in writing, shall be open for acceptance for a period of 15 Business Days from the date of the offer and shall give details of the number and subscription price of the relevant Shares, and
  - (b) may stipulate that any Shareholder who wishes to subscribe for a number of Shares in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess Shares (Excess Shares) for which he wishes to subscribe.
- 13.3 Any Shares not accepted by Shareholders pursuant to the offer made to them in accordance with article 13.2 shall be used for satisfying any requests for Excess Shares made pursuant to article 13.2. If there are insufficient Excess Shares to satisfy such requests, the Excess Shares shall be allotted to the applicants pro rata to the number of Shares held by the applicants immediately before the offer was made to Shareholders in accordance with article 13.2 (as nearly as possible without involving fractions or increasing the number of Excess Shares allotted to any Shareholder beyond that applied for by him). After that allotment, any Excess Shares remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the Shareholders.
- 13.4 On the allotment of any Share as permitted by these articles:
- (a) a Share allotted to a non-Shareholder shall remain of the same class; and
  - (b) a Share allotted to a Shareholder shall automatically be redesignated on allotment as a Share of the same class as those Shares already held by the Shareholder.
- 13.5 No Shares shall be allotted to any employee, director, prospective employee or director unless, if requested by the Board, such person has entered into a joint election with the Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003 at the request of the Company.
- 14 FURTHER ISSUES OF SHARES AUTHORITY
- 14.1 Subject to article 14.2, the directors are generally and unconditionally authorised, for the purpose of section 551 of the Act, to exercise any power of the Company to:
- (a) offer or allot,
  - (b) grant rights to subscribe for or to convert any security into, or
  - (c) otherwise deal in, or dispose of,

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

14.2 The authority granted by article 14.1:

- (a) is subject to the provisions of article 13,
- (b) shall be limited to the nominal amount of £1,000 of any class of Share,
- (c) shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution, and
- (d) may only be exercised for a period of five years from the Adoption Date, save that the Company may make an offer or agreement which would, or might, require Shares to be allotted after the expiry of such authority (and the directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired).

14.3 The authority hereby given may at any time (subject to sections 549 and 551 of the Act) be renewed, revoked, or varied by ordinary resolution of the Company in general meeting.

## 15 SHARE TRANSFERS

15.1 All transfers of Shares shall be effected by instrument in writing in any form for the time being authorised by the Stock Transfer Act 1963 (or any statutory modification or re-enactment thereof for the time being in force) or in any other form which the directors may approve.

15.2 No Shareholder shall sell, transfer, assign, pledge, charge or otherwise dispose of any Share or any interest in any Share except:

- (a) with the consent of Shareholders holding 75% or more of the A Shares,
- (b) under the terms of a cross-option agreement backed by life policies between two or more Shareholders approved by the Board,
- (c) in accordance with article 16 (Permitted Transfers),
- (d) in accordance with article 17 (Pre-Emption Rights on Transfer),
- (e) in accordance with article 18 (Compulsory Transfers),
- (f) in accordance with article 19 (Drag Along), or
- (g) in accordance with article 20 (Tag Along).

15.3 To enable the directors to determine whether or not there has been a disposal of Shares in the capital of the Company (or any interest in Shares in the capital of the Company) in breach of these Articles, the directors may from time to time require any Shareholder to provide the Company with such information and evidence as they may reasonably require to ensure compliance with this article. If a Shareholder fails to provide information or evidence in respect of any shares registered in his name to the reasonable satisfaction of such directors within 14 days of their request, such directors may serve a notice on the Shareholder stating that the Shareholder shall not in relation to all Shares held by that Shareholder be entitled to be present or to vote in person or by proxy at any general meeting of the Company or any meeting of the holders of Shares or

to receive dividends on the Shares until such evidence or information has been provided to the directors' satisfaction.

15.4 On the transfer of any Share as permitted by these Articles:

- (a) a Share transferred to a non-Shareholder shall remain of the same class as before the transfer; and
- (b) a Share transferred to a Shareholder shall automatically be redesignated on transfer to the class of Share they already hold.

16 PERMITTED TRANSFERS

16.1 Any Shares (other than any Shares in respect of which the holder shall have been required by the directors under these Articles to give a Transfer Notice or shall have been deemed to have given a Transfer Notice) may at any time be transferred by a member that is a body corporate (Original Member) to any member of the same Permitted Group (Permitted Member) as that company.

16.2 If a Permitted Member ceases to be a member of the Permitted Group, the Permitted Member must, not later than the date 5 Business Days after the date on which it so ceases, transfer all (but not just some only) of its Shares in the Company back to the Original Member or to a member of the same Permitted Group as the Original Member (which in either case is not in liquidation), failing which the Company may execute a transfer of the Shares on behalf of the Permitted Member and register the Original Member as the holder of such Shares.

17 PRE-EMPTION RIGHTS ON TRANSFER

17.1 In this article, references to a transfer of a Share include the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share.

17.2 Except where the provisions of article 15.2 apply, any transfer of A Shares by a Shareholder shall be subject to the pre-emption rights in this article. The holders of B Shares may only transfer Shares under the provisions of Article 15.2.

17.3 A Shareholder who wishes to transfer any A Shares (Seller) shall, before transferring or agreeing to transfer any Shares, give a Transfer Notice to the Company specifying:

- (a) the number of Shares being transferred (Sale Shares),
- (b) if the Seller wishes to sell the Sale Shares to a third party, the name of the proposed transferee,
- (c) the price (in cash) per Share at which he wishes to transfer the Sale Shares (Proposed Transfer Price)), and
- (d) whether the Transfer Notice is conditional on all, or a specific number of, the Sale Shares being sold to Shareholders, (Minimum Transfer Condition) (which may not be specified in the event of a compulsory transfer under article 18).

17.4 Once given (or deemed to have been given) under these Articles, a Transfer Notice may not be withdrawn.

17.5 A Transfer Notice appoints the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

17.6 As soon as practicable following the receipt of a Transfer Notice, the Board shall hold a meeting and determine whether the Board agrees with the Proposed Transfer Price. If it does the Board shall forthwith (i) it so resolves, elect to buy back all or some of the Sale Shares in accordance with the Act (and the Shareholders shall pass such resolutions to give effect to the same); and where no or not all Sale Shares are to be bought back (ii) offer the Sale Shares (or balance not elected to be bought back) for sale to the relevant Shareholders in the manner set out in article 17.7. If the Board disagrees with the Proposed Transfer Price it shall notify the Seller forthwith and instruct the Expert to determine the Fair Value of the Sale Shares in accordance with article 17.18. The Board will instruct up to three Experts and the Fair Value shall be the average of the valuations determined by those Experts. Following receipt of the Fair Value the Board shall forthwith (i) if it so resolves, elect to buy back all or some of the Sale Shares in accordance with the Act (and the Shareholders shall pass such resolutions to give effect to the same); and where no or not all Sale Shares are to be bought back (ii) offer the Sale Shares (or balance not elected to be bought back) for sale to the Shareholders in the manner set out in article 17.7. The transfer price for the Sale Shares, agreed or determined, shall be the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.

17.7 The Board shall offer the Sale Shares to all Shareholders holding A Shares other than the Seller (Continuing Shareholders), inviting them to apply in writing within 15 Business Days of the date of the offer (Sale Offer Period) for the maximum number of Sale Shares they wish to buy.

If the Sale Shares are subject to a Minimum Transfer Condition, any allocation made under this article 17.7 and article 17.8 shall be conditional on the fulfilment of the Minimum Transfer Condition.

If, at the end of the Sale Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares held by those Continuing Shareholders who have applied for Sale Shares. Fractional entitlements shall be rounded to the nearest whole number. No allocation shall be made to a Continuing Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy.

If only some of the Sale Shares are allocated in accordance with this article, but there are applications for Sale Shares that have not been satisfied, those Sale Shares shall be allocated to the relevant applicant(s) in accordance with the procedure set out in this article 17.7.

If, at the end of the Sale Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications.

17.8 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Sale Shares applied for is less than the number of Sale Shares specified in the Minimum Transfer Condition, the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under article 17.7, stating that the Minimum Transfer Condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

17.9 If:

(a) the Transfer Notice includes a Minimum Transfer Condition and such Minimum Transfer Condition has been satisfied, or the Transfer Notice does not include a Minimum Transfer Condition, and

(b) allocations under article 17.7 have been made in respect of some or all of the Sale Shares,

the Board shall give written notice of allocation (Allocation Notice) to the Seller and each Continuing Shareholder to whom Sale Shares have been allocated (Applicant). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant, the amount payable by each Applicant for the number of Sale Shares allocated to him (Consideration) and the place and time for completion of the transfer of the Sale Shares (which shall be not more than 30 Business Days after the date of the Allocation Notice). If the Consideration exceeds £200,000 the Consideration may be payable in instalments over up to 36 months from completion of the transfer of the Sale Shares.

17.10 On the service of an Allocation Notice, the Seller shall, against payment of the Consideration (or agreement to pay instalments referred to in article 17.9 where the Consideration exceeds £200,000), transfer the Sale Shares allocated in accordance with the requirements specified in the Allocation Notice.

17.11 If the Seller fails to comply with the requirements of the Allocation Notice or share buy back:

(a) the chairman of the Board (or, failing him, one of the other directors, or some other person nominated by a resolution of the Board) may, on behalf of the Seller:

i. complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants or buy back of the relevant Shares,

ii. receive the Consideration and give a good discharge for it, and

iii. (subject to the transfers being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them, and

(b) the Company shall pay the Consideration into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate for the relevant 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 Shares) to the Company.

- 17.12 If an Allocation Notice does not relate to all of the Sale Shares then, subject to article 17.13 and within 4 weeks following service of the Allocation Notice, the Seller may transfer the Surplus Shares to any person at a price at least equal to the Transfer Price.
- 17.13 The Seller's right to transfer Shares under article 17.12 does not apply if the Board reasonably considers that:
- (a) the transferee is a person (or a nominee for a person) who is a competitor with (or an associate (within the meaning in section 345 of the Act) of a competitor with) the business of the Company or another member of the Group, or
  - (b) the transferee is a person who would not be approved as a shareholder by the Company's regulator; or
  - (c) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee, or
  - (d) the Seller has failed or refused to provide promptly information available to the Seller and reasonably requested by the Board to enable it to form the opinion mentioned above.
- 17.14 Subject to article 17.15, the directors shall forthwith register any duly stamped transfer made in accordance with these Articles and shall not have any discretion to register any transfer of Shares which has not been made in compliance with these Articles.
- 17.15 The directors may, as a condition to the registration of any transfer of Shares in the Company require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement (or similar document) in force between the Shareholders in such form as the directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document). If any such condition is imposed in accordance with this article 17.15, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 17.16 In this article the Fair Value of the Sale Shares shall be the value that the Expert certifies to be the fair market value in his opinion based on the following assumptions:
- (a) the value of the Shares in question is that proportion of the fair market value of the entire issued Share capital of the Company that the Sale Shares bear to the then total issued Share capital of the Company (with no premium or discount for the size of the Seller's shareholding or for the rights or restrictions applying to the shares under these Articles),
  - (b) the sale is between a willing buyer and a willing seller on the open market,
  - (c) if the Company is then carrying on its business as a going concern, on the assumption that it shall continue to do so,
  - (d) the Shares are sold free of all encumbrances, and
  - (e) to take account of any other factors that the Expert reasonably believes should be taken into account.

- 17.17 If any problem arises in applying any of the assumptions set out in article 17.16, the Expert shall resolve the problem in whatever manner he shall, in his absolute discretion, think fit.
- 17.18 The Expert shall be requested to determine the Fair Value of the Sale Shares within 30 Business Days (or as soon as practicable in the case of determining Fair Value for the purposes of article 17.16) of his appointment and to notify the Company in writing of his determination.
- 17.19 Subject to any confidentiality provisions, the Expert may have access to all accounting records and other relevant documents of the Company.
- 17.20 The Expert's determination shall be final and binding on the Shareholders (in the absence of fraud or manifest error).
- 18 COMPULSORY TRANSFERS
- 18.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer Notice in respect of that Share at such time as the directors may determine.
- 18.2 If a Shareholder which is a body corporate either:
- 18.2.1 suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction);
- 18.2.2 or suffers or takes any equivalent action in any jurisdiction outside England and Wales; or
- 18.2.3 undergoes a change in control and for the purposes of this article, 'control' shall mean beneficial ownership of more than 50% of the issued share capital of the Shareholder or the legal power to direct or cause the direction of the management of the Shareholder,
- (save as otherwise determined by the Board) that Shareholder shall be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the directors may determine.
- 18.3 On the death (save where article 15.2(b) applies) bankruptcy or liquidation of a Shareholder (other than a joint holder), his personal representatives, trustee in bankruptcy or its liquidator shall execute and deliver to the Company a Transfer Notice in respect of the Shares held by the Shareholder (without any price or other restriction) within 30 Business Days after the date of the grant of probate, the making of the bankruptcy order or the passing of a resolution or making of an order for winding up. If the transfer is not executed and delivered within 10 Business Days of that period the personal representative or trustee in bankruptcy or liquidator shall be deemed to have given a Transfer Notice.
- 18.4 If any Shares the subject of a Transfer Notice required to be given under this Article 18 have not been acquired after going through the process set out in article 17, unless the



unsold Shares following such process account for over 20% of the Shares in issue, all voting rights attached to such Shares shall be suspended (Restricted Shares). The holders of Restricted Shares shall have the right to receive a notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy or to vote on any proposed written resolution. Voting rights suspended pursuant to this article shall be automatically restored immediately prior to a sale of all Shares. Following the transfer of any Restricted Shares in accordance with these Articles all voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of members) automatically be restored.

19 DRAG ALONG

- 19.1 In these Articles a Qualifying Offer shall mean a bona fide arm's length offer in writing which is made by or on behalf of any person (other than a person connected with the Shareholders of the Company at the Adoption Date) (Offeror), is communicated to any one or more of the Shareholders and is for the entire Share capital in the Company not already owned by the Offeror or persons connected or Acting in Concert with the Offeror.
- 19.2 Where at any time the holders of not less than 75% of the A Shares then in issue (Accepting Shareholders), have indicated that they wish to accept the Qualifying Offer then the provisions of this article shall apply.
- 19.3 The Accepting Shareholders shall give written notice (Drag Notice) to the remaining holders of Shares (Called Shareholders) of their wish to accept the Qualifying Offer and the Called Shareholders shall, subject to article Error! Reference source not found., thereupon become bound to accept the Qualifying Offer and to transfer their Shares to the Offeror (or his or its nominee) with full title guarantee on the date specified by the Accepting Shareholders (which may not be sooner than 30 days from the service of the Drag Notice unless each of the Called Shareholders have waived their rights to give a Counter Notice) on terms no less favourable than have been made to the Accepting Shareholders.
- 19.4 If (subject to article Error! Reference source not found.) any Called Shareholder fails, within 5 Business Days of being required to do so, to execute and deliver transfers in respect of the Shares held by him and deliver the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof (Indemnity)), then any Accepting Shareholder shall be entitled to execute and shall be entitled to authorise and instruct such person as he thinks fit to execute, the necessary transfer(s) and Indemnities on the Called Shareholder's behalf and, against receipt by the Company (on trust for such Shareholder) of the consideration payable for the relevant Shares, deliver such transfer(s) and certificate(s) or Indemnities to the Offeror (or his nominee) and the Company shall register such Offeror (or his nominee) as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person.

20 TAG ALONG

- 20.1 Except after going through the pre-emption procedure set out in article 17 the provisions of article 20.2 to article 20.6 shall apply if, in one or a series of related transactions, one or more Shareholder proposes to transfer any of the Shares (Proposed Transfer) which would, if carried out, result in any person (other than a Shareholder as at the Adoption Date) (Buyer) and any person Acting in Concert with the Buyer, acquiring a Controlling Interest in the Company.
- 20.2 Before making a Proposed Transfer, the selling Shareholder shall procure that the Buyer makes an offer (Offer) to the other Shareholders to purchase all of the Shares held by them for a consideration in cash per Share that is at least equal to the highest price per Share offered or paid by the Buyer, or any person Acting in Concert with the Buyer, in the Proposed Transfer or in any related previous transaction in the 6 months preceding the date of the Proposed Transfer (Specified Price).
- 20.3 The Offer shall be given by written notice (Offer Notice), at least 10 Business Days (Offer Period) before the proposed sale date (Sale Date). To the extent not described in any accompanying documents, the Offer Notice shall set out:
- (a) the identity of the Buyer,
  - (b) the purchase price and other terms and conditions of payment,
  - (c) the Sale Date, and
  - (d) the number of Shares proposed to be purchased by the Buyer (Offer Shares).
- 20.4 If the Buyer fails to make the Offer to all holders of Shares in the Company in accordance with article 20.2 and article 20.3, the selling Shareholder 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.
- 20.5 If the Offer is accepted by any Shareholder (Accepting Shareholder) within the Offer Period, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders.
- 20.6 The Proposed Transfer is subject to the pre-emption provisions of article 17, but the purchase of Offer Shares from Accepting Shareholders shall not be subject to those provisions.
- 21 QUORUM FOR GENERAL MEETINGS
- 21.1 If a quorum is not present within half an hour of the time appointed for a general meeting, the meeting is adjourned to such day and at such time and place as the directors may determine and if a quorum is not present within half an hour from the time appointed for the adjourned meeting the meeting is dissolved. Where the Company has only one person who holds Shares, that person shall constitute a quorum.
- 21.2 A poll may be demanded at any general meeting by any Shareholder present in person or by proxy and entitled to vote.
- 22 CHAIRING GENERAL MEETINGS

The chairman of the Board shall chair general meetings. If the chairman is unable to attend any general meeting, the Shareholders present shall elect one of their number to chair the meeting.

23 VOTING

Voting rights are set out in article 0.

24 POLL VOTES

24.1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.

24.2 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.

25 PROXIES

25.1 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 general meeting (or adjourned meeting) to which they relate".

25.2 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" as a new paragraph at the end of that article.

26 INDEMNITIES AND INSURANCE

26.1 Subject to article 26.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer of the Company shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer
  - (i) in the actual or purported execution and/or discharge of his duties, or in relation to them, and
  - (ii) in relation to the Company's activities as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act),  
including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs, and
- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application

referred to in article 26.1(a) and otherwise may take action to enable any such relevant officer to avoid incurring such expenditure.

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

26.3 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.

26.4 In this article:

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