

Company number 06531587
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTIONS

of

A G CARTER LIMITED

("the Company")

7 June

2013 ("the Circulation Date")

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the sole director of the Company propose that

resolutions 1 to 4 (inclusive) below are passed as special resolutions (together the "**Special Resolutions**")

SPECIAL RESOLUTIONS

- 1 **THAT** the Articles of Association, a copy of which is attached to the written resolution and initialled for the purpose of identification by the chairperson, be adopted as the Articles of Association of the Company to the execution of and in substitution for the Company's existing articles of association
- 2 **THAT** subject to the passing of resolution 1 above, the rights attaching to the 50 Ordinary A Shares of £1 00 each held by Andrew Carter and the 50 Ordinary A Shares of £1 00 each held by Christie Carter, and all of the unissued Ordinary A Shares of £1 00 each, in the capital of the Company be and are hereby varied so as to have the rights attaching to the Ordinary A Shares of £1 00 each as set out in the Articles of Association adopted under resolution number 1 above
- 3 **THAT** subject to the passing of resolution 1 above, the rights attaching to all of the unissued Ordinary B Shares in the capital of the Company be and are hereby varied so as to have the rights attaching to the Ordinary B Shares of £1 00 each as set out in the Articles of Association adopted under resolution 1 above
- 4 **THAT** subject to the passing of resolution 1 above, the rights attaching to all of the unissued Ordinary C Shares in the capital of the Company be and are hereby varied so as to have the rights attaching to the Ordinary C Shares of £1 00 each as set out in the Articles of Association adopted under resolution 1 above



AGREEMENT

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

The undersigned, being all the persons entitled to vote on the above resolutions on the Circulation Date, hereby irrevocably agrees to the Special Resolutions



Andrew Carter

01/06/2013
Dated



Christie Carter

01/06/2013
Dated

1 You can choose to agree to all of the Special Resolutions or none of them but you cannot agree to only one of the Special Resolutions. If you agree to all of the Special Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods

- **By Hand** delivering the signed copy to the Director, A G Carter Limited, 28A Whitegate Drive, Blackpool, Lancashire, FY3 9AL
- **Post** returning the signed copy by post to the Director, A G Carter Limited, 28A Whitegate Drive, Blackpool, Lancashire, FY3 9AL

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

2 Once you have indicated your agreement to the Special Resolutions, you may not revoke your agreement

3 Unless, within 28 days following the Circulation Date, sufficient agreement has been received for the Special Resolutions to pass, they will lapse. If you agree to the Special Resolutions, please ensure that your agreement reaches us before or during this date

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

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

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

A G CARTER LIMITED

(Adopted by special resolution passed on 7th June 2013)

INTRODUCTION

1 INTERPRETATION

1.1 In these Articles, unless the context otherwise requires

"A" Shares means the Ordinary "A" Shares of £1.00 each in the capital of the Company,

Act and/or Companies Act: means the Companies Act 2006,

AC: means Andrew Carter,

appointor: has the meaning given in article 13.1,

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

Board the board of Directors of the Company as constituted from time to time

"B" Shares means the Ordinary "B" Shares of £1.00 each in the capital of the Company,

Business Day: a day (other than a Saturday or Sunday or public holiday in England) when UK clearing banks in the City of London are open for general business,

CC: means Christie Carter

"C" Shares: means the Ordinary "C" Shares of £1 00 each in the capital of the Company,

Company's Accountants: means the accountants of the Company from time to time,

Conflict: has the meaning given in article 8 1,

Compulsory Relevant Event: means as defined in article 37 1,

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),

Founder Shareholder: means while the each respectively hold Shares in the Company, AC and CC,

Independent Accountant: means such independent firm of Chartered Accountants (not being the accountants of the Company) appointed by the agreement of the Shareholders, or in the absence of agreement, an independent firm of Chartered Accountants appointed, and whose terms of appointment are agreed, by the President of the Institute of Chartered Accountants in England and Wales on the application of any Shareholder,

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,

Non-Founder Shareholder. means any Shareholder other than a Founder Shareholder,

Relevant Securities: any Shares or other securities convertible into, or carrying the right to subscribe for those Shares, issued by the Company after the date hereof,

Shares: means shares in the capital of the Company, whatever their class, and a reference to "Share" shall be construed accordingly,

Shareholder Any person who holds Shares in the Company from time to time and a reference to "Shareholders" shall be construed accordingly,

- 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 A reference to "person" includes a natural person, a corporate or unincorporated body (whether or not having a separate legal personality)
- 1 4 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles
- 1 5 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise
- 1 6 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of
- (a) any subordinate legislation from time to time made under it, and
 - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts
- 1 7 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 8 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles
- 1 9 Articles 8, 9(1) and (3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 27, 28, 29, 44(2), 52 and 53 of the Model Articles shall not apply to the Company
- 1 10 Article 7 of the Model Articles shall be amended by
- (a) the insertion of the words "for the time being" at the end of article 7(2)(a), and
 - (b) the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may"
- 1 11 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur"

1 12 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity"

1 13 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"

2 SHARES

2 1 The Share classes of the Company shall be -

- (a) "A" Shares,
- (b) "B" Shares, and
- (c) "C" Shares,

2 2 Except as otherwise provided in these Articles, the "A" Shares, the "B" Shares, and "C" Shares shall rank *pari passu* in all respects but shall constitute separate classes of Shares

2 3 The profits of the Company which are resolved to be divided amongst the Shareholders in any year shall be applied in paying to the holders of the respective classes of Shares dividends at such respective rate (if any) as the Company in general meeting shall determine and so that a dividend or dividends may be declared on one or several classes of Shares to the exclusion of any class or classes and that dividends at different rates may be declared on the respective classes of Shares The directors may pay an interim dividend or dividends on one or several classes of Shares to the exclusion of any class or classes and may pay interim dividends at different rates of the respective classes of Shares

2 4 In the case of the "A" Shares, the dividend declared on any "A" Share (if any) may be paid by the Company, at the election of the holder thereof, in sterling or Euros

2 5 In the case of the "B" Shares, the dividend declared on any "B" Share (if any) may be paid by the Company, at the election of the holder thereof, in sterling or US Dollars

2 6 In the case of the "C" Shares, the dividend declared on any "C" Share (if any) may be paid by the Company, at the election of the holder thereof, in sterling or Canadian Dollars

- 2 7 On a return of assets on liquidation, capital reduction, winding up or otherwise (other than a conversion, redemption or purchase of shares), the assets of the Company remaining after the payment of its liabilities shall (to the extent that the Company is lawfully able to do so) be distributed amongst the holders of the Shares *pari passu* as if they constituted one single class of share, according to the amount credited as paid up on each such Share
- 2 8 All or any of the rights or privileges for the time being attached to any Share or class of Shares in the capital of the Company (notwithstanding that the Company may be or be about to be in liquidation) may with the sanction of a special resolution passed at a general meeting of the Company, and with a special resolution passed by the Shareholders of that class of Share, be varied or abrogated
- 2 9 Subject to the Act and without prejudice to the rights attached to any existing Shares, any Share may be issued with or have attached to it such rights or restrictions as the Company may by special resolution determine
- 2 10 In accordance with and subject to the provisions of the Act the Company may
- (a) issue Shares that are to be redeemed or are liable to be redeemed at the option of the Company or holder,
 - (b) purchase its own Shares (including any redeemable shares),
 - (c) make a payment in respect of the redemption or purchase of any of its own shares as authorised by these Articles otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares
- 2 11 The liability of a Shareholder is limited to the amount, if any, unpaid on the Shares held by them

3. DIRECTORS DECISIONS

- 3 1 The general rule about decision making by directors is that any decision of the directors must be by simple majority vote
- 3 2 If-
- (a) the Company has only one director for the time being, and
 - (b) No provisions of the Articles requires it to have more than one director,
- then the general rule referred to in article 3 1 shall not apply, and the director may, for so long as he remains the sole director, take decisions

without regard to any of the provisions of the Articles relating to directors decision making

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

4. CALLING A DIRECTORS' MEETING

- 4 1 Any Director may call a meeting of the Board at any time in accordance with article 4 2

- 4 2 Subject to article 4 3, any director calling a meeting of the Board shall ensure that at least three Business Days' notice of a meeting of the Board in writing (which for the purposes of this article may be given by email) is given to all Directors entitled to receive notice accompanied by

- (a) an agenda specifying in reasonable detail the matters to be raised at the meeting, and
- (b) copies of any papers to be discussed at the meeting or which are otherwise relevant to an agenda item

- 4 3 A shorter period of notice of a meeting of the Board may be given if the Directors unanimously agree in writing (which for the purposes of this article may be given by email)

5. QUORUM FOR DIRECTORS' MEETINGS

- 5 1 Subject to article 5 2 and 5 3 and article 5 4, the quorum for the transaction of business at a meeting of the Board is two eligible Directors (or their respective alternates) and no business shall be conducted at any meeting of the Board unless a quorum is present.

- 5 2 Notwithstanding the provisions of article 5 1 where there is only one director in office the quorum shall be one director

- 5 3 If a quorum is not present within 30 minutes after the time specified for a Board meeting in the notice of the meeting or if the meeting becomes inquorate during proceedings then it shall be adjourned for 5 Business Days to the same time and place ("the **Recalled Meeting**") In the event that there is not a sufficient number of directors to form a quorum as required under article 5 1 (or as applicable article 5 2) at the Recalled Meeting, the quorum shall be deemed to be those directors present at that the Recalled Meeting

(which for the avoidance of doubt those Directors present include those Directors deemed to be in attendance under article 5.5)

5.4 For the purposes of any meeting (or part of a meeting) held pursuant to article 8 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director

5.5 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

6. CASTING VOTE

6.1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall not have a casting vote

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 Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested,
- (b) shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested,
- (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested,
- (d) may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director,

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

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**)

8.2 Any authorisation under this article 8 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, and
- (c) ~~the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted~~

8.3 Any authorisation of a Conflict under this article 8 may (whether at the time of giving the authorisation or subsequently)

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict,

- (c) provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict,
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit,
- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence, and
- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters

8 4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict

8 5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation

8 6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

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 one

11. APPOINTMENT OF DIRECTORS

11 1 In any case where, as a result of death or bankruptcy, the Company has no Shareholders and no directors, the transmittee(s) of the last Shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director. For the avoidance of doubt, where two or more Shareholders die in circumstances rendering it uncertain who was the last to die, the youngest Shareholder is deemed to have died last

11 2 Subject to article 11 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

11 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

11 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

12. TERMINATION OF A DIRECTOR'S APPOINTMENT

12 1 A person ceases to be a director of the Company as soon as -

- (a) That person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law,
- (b) A bankruptcy order is made against that person,

- (c) A composition is made with that person's creditors generally in satisfaction of that person's debts,
- (d) By reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,
- (e) Notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms,

13. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

13 1 If any Director is or will be absent from a meeting of the Board, ("the **appointor**") he may appoint, subject to article 13 2, any person (including an existing Director),(provided that the appointment of an existing Director shall not require such approval) to act as his alternate at that meeting For the purposes of the meeting the alternate Director shall be the Director by whom he is appointed and may vote in place of such Director

13 2 The appointment of any person other than an existing Director, as an alternate director shall be conditional upon such person ("**Proposed Alternate**") -

- (a) in the opinion of the Board (acting reasonably) not having a conflict of interest with the Company and/or the matters to be discussed at the meeting, and
- (b) the Proposed Alternate entering into a confidentiality agreement with the Company (in the form reasonably required by the Company) to protect the confidential information of the Company and the Group

13 3 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

14. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

14 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

14 2 Except as the Articles specify otherwise, alternate directors

- (a) are deemed for all purposes to be directors,
- (b) are liable for their own acts and omissions,

- (c) are subject to the same restrictions as their appointors, and
- (d) are not deemed to be agents of or for their appointors

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

14 3 A person who is an alternate director but not a director

- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),
- (b) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate), and
- (c) shall not be counted as more than one director for the purposes of articles 14 3(a) and (b)

14 4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present

14 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

15. TERMINATION OF ALTERNATE DIRECTORSHIP

An alternate director's appointment as an alternate terminates

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

16. 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

17 PROXIES

- 17 1 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

18. GENERAL MEETINGS

- 18 1 No business shall be transacted at any meeting unless a quorum is present Save in the case of a Company with a single Shareholder, two Shareholders (or proxy for a Shareholder or a duly authorised representative of a corporation) entitled to vote upon the business to be transacted shall be a quorum
- 18 2 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
- 18 3 If and so long as the Company has only one Shareholder and that Shareholder takes any decisions which is required to be taken in general meeting or by means of a written resolution that decision shall be as valid and effectual as if agreed by the Company in general meeting, save to the provisions of the Companies Acts regarding the removal of a director before the expiration of his period of office, and under section 510 of the Act and for the removal of an auditor before the expiration of his period of office, which shall only be considered by the Company in general meeting
- 18 4 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles
- 18 5 At a general meeting votes may be exercised
- (a) on a show of hands by every Shareholder holding Shares with voting rights who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by a proxy (in

which case, each Shareholder holding Shares with voting rights shall have one vote), or

- (b) on a poll by every Shareholder holding Shares with voting rights who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by a proxy (in which case, each Shareholder holding Shares with voting rights shall have one vote for each such Share held)

19. POLL VOTES

19 1 A poll may be demanded at any general meeting by -

- (a) any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting,
- (b) the chairman of the meeting,
- (c) the directors

19 2 A demand for a poll may be withdrawn if

- (a) The poll has not yet been taken, and
- (b) The chairman of the meeting consents to the withdrawal

A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made

20. MEANS OF COMMUNICATION TO BE USED

20 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient

- (a) if delivered personally, at the time of delivery, or
- (b) if delivered by commercial courier, at the time of signature of the courier's receipt, or
- (c) if sent by pre-paid first class post or recorded delivery, 2 Business Days from the date of posting, or
- (d) if sent by airmail, five Business Days from the date of posting,
- (e) if expressly permitted to be sent by email under these articles, 1 hour after sending, provided that the sending party does not receive an automated error message or message undeliverable notice from the recipient

20 2 If deemed receipt under the previous paragraphs of article 20 1 is not within business hours (meaning 9 00 am to 5 00 pm Monday to Friday on a

Business Day), then deemed receipt shall take place when business next starts in the place of deemed receipt

- 20 3 To prove service it is sufficient to prove that the envelope containing the notice was properly addressed and posted
- 20 4 A Shareholder present, either in person or by proxy, at any meeting of the Company or of the holders of any class of Shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called
- 20 5 A Director present, either in person or by proxy, at any meeting of the Board shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called

21. INDEMNITY

- 21 1 Subject to article 21 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

- (a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer

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

(ii) in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs, and

- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 21 1 (a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

21 2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

21 3 In this article

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

22. INSURANCE

22 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

22 2 In this article

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

23. COMPANY'S LIEN OVER SHARES

23 1 The Company has a lien (the "Company's lien") over every Share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder of the share or one of several joint holders, for all monies payable by him (either

alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future

23 2 The Company's lien over a Share

- (a) takes priority over any third party's interest in that share, and
- (b) extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the share is sold by the Company) the proceeds of sale of that share

23 3 The directors may at any time decide that a Share which is or would otherwise be subject to the Company's lien shall not be subject to it, either wholly or in part

24. ENFORCEMENT OF THE COMPANY'S LIEN

24 1 Subject to the provisions of this article, if

- (a) a lien enforcement notice has been given in respect of a Share, and
- (b) the person to whom the notice was given has failed to comply with it,

the Company may sell that Share in such manner as the directors decide

24 2 A lien enforcement notice

- (a) may only be given in respect of a Share which is subject to the Company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
- (b) must specify the Share concerned,
- (c) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
- (d) must be addressed either to the holder of the Share or to a transmittee of that holder, and
- (e) must state the Company's intention to sell the Share if the notice is not complied with

24 3 Where Shares are sold under this article

- (a) the directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser, and

- (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale
- 24.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied
 - (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice, and
 - (b) second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the Company's lien for any money payable (whether payable immediately or at some time in the future) as existed upon the shares before the sale in respect of all shares registered in the name of such person (whether as the sole registered holder or as one of several joint holders) after the date of the lien enforcement notice
- 24.5 A statutory declaration by a director or the Company secretary that the declarant is a director or the Company secretary and that a Share has been sold to satisfy the Company's lien on a specified date
 - (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
 - (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share

25. CALL NOTICES

- 25.1 Subject to the Articles and the terms on which shares are allotted, the directors may send a notice (a "call notice") to a Shareholder requiring the Shareholder to pay the Company a specified sum of money (a "call") which is payable to the Company at the date when the directors decide to send the call notice
- 25.2 A call notice
 - (a) may not require a Shareholder to pay a call which exceeds the total amount of his indebtedness or liability to the Company,
 - (b) must state when and how any call to which it relates is to be paid, and
 - (c) may permit or require the call to be made in instalments

25 3 A Shareholder must comply with the requirements of a call notice, but no Shareholder is obliged to pay any call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent

25 4 Before the Company has received any call due under a call notice the directors may

- (a) revoke it wholly or in part, or
- (b) specify a later time for payment than is specified in the notice,

by a further notice in writing to the Shareholder in respect of whose shares the call is made

26. LIABILITY TO PAY CALLS

26 1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid

26 2 Joint holders of a Share are jointly and severally liable to pay all calls in respect of that Share

26 3 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them

- (a) to pay calls which are not the same, or
- (b) to pay calls at different times

27 WHEN CALL NOTICE NEED NOT BE ISSUED

27 1 A call notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share

- (a) on allotment,
- (b) on the occurrence of a particular event, or
- (c) on a date fixed by or in accordance with the terms of issue

27 2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture

28. FAILURE TO COMPLY WITH CALL NOTICE: AUTOMATIC CONSEQUENCES

28 1 If a person is liable to pay a call and fails to do so by the call payment date

- (a) the directors may issue a notice of intended forfeiture to that person, and
- (b) until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate

28 2 For the purposes of this article

- (a) the "call payment date" is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the "call payment date" is that later date, and
- (b) the "relevant rate" is
 - (i) the rate fixed by the terms on which the Share in respect of which the call is due was allotted,
 - (ii) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors, or
 - (iii) if no rate is fixed in either of these ways, 5 per cent per annum

28 3 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998

28 4 The directors may waive any obligation to pay interest on a call wholly or in part

29 NOTICE OF INTENDED FORFEITURE

29 1 A notice of intended forfeiture

- (a) may be sent in respect of any Share in respect of which a call has not been paid as required by a call notice,
- (b) must be sent to the holder of that Share (or all the joint holders of that Share) or to a transmittee of that holder,
- (c) must require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),

- (d) must state how the payment is to be made, and
- (e) must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited

30. DIRECTORS' POWER TO FORFEIT SHARES

If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture

31. EFFECT OF FORFEITURE

31 1 Subject to the Articles, the forfeiture of a Share extinguishes

- (a) all interests in that Share, and all claims and demands against the Company in respect of it, and
- (b) all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company

31 2 Any Share which is forfeited in accordance with the Articles

- (a) is deemed to have been forfeited when the directors decide that it is forfeited,
- (b) is deemed to be the property of the Company, and
- (c) may be sold, re-allotted or otherwise disposed of as the directors think fit

31 3 If a person's shares have been forfeited

- (a) the Company must send that person notice that forfeiture has occurred and record it in the register of Shareholders,
- (b) that person ceases to be a Shareholder in respect of those shares,
- (c) that person must surrender the certificate for the shares forfeited to the Company for cancellation,
- (d) that person remains liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture), and
- (e) the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at

the time of forfeiture or for any consideration received on their disposal

- 31 4 At any time before the Company disposes of a forfeited Share, the directors may decide to cancel the forfeiture on payment of all calls and interest and expenses due in respect of it and on such other terms as they think fit

32. PROCEDURE FOLLOWING FORFEITURE

- 32 1 If a forfeited Share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer

- 32 2 A statutory declaration by a director or the Company secretary that the declarant is a director or the Company secretary and that a Share has been forfeited on a specified date

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
- (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share

- 32 3 A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share

- 32 4 If the Company sells a forfeited Share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which

- (a) was, or would have become, payable, and
- (b) had not, when that Share was forfeited, been paid by that person in respect of that Share,

but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them

33. SURRENDER OF SHARES

- 33 1 Any Shareholder may surrender any Share

- (a) in respect of which the directors may issue a notice of intended forfeiture,

- (b) which the directors may forfeit, or
- (c) which has been forfeited

33 2 The directors may accept the surrender of any such Share

33 3 The effect of surrender on a Share is the same as the effect of forfeiture on that Share

33 4 A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited

34. FURTHER ISSUES OF SHARES: AUTHORITY

34 1 Subject to the remaining provisions of this Article 34 and to Article 35, the directors are generally and unconditionally authorised, for the purposes of section 551 of the 2006 Act and generally, to exercise any power of the Company to

- (a) offer or allot,
- (b) grant rights to subscribe for or to convert any security into,
- (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

34 2 The authority referred to in Article 34 2

- (a) shall be limited to a maximum nominal amount of £3,000 00 comprising, in aggregate, 1,000 "A" Shares of £1 00 each, 1,000 "B" Shares of £1 00 each, and 1,000 "C" Shares of £1 00 each,
- (b) shall only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution, and
- (c) may only be exercised for a period of five years commencing on the date on which these Articles are adopted, save that the directors may make an offer or agreement which would, or might, require shares to be allotted after the expiry of such authority (and the directors may allot shares in pursuance of an offer or agreement as if such authority had not expired)

35. FURTHER ISSUES OF SHARES: PRE-EMPTION RIGHTS

- 35 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
- 35 2 No Relevant Securities shall be allotted to any person unless the Company has first offered such Relevant Securities to all of the existing Shareholders (on the same terms and at the same price as the Relevant Securities were to be offered to any other person) *pari passu* and *pro rata* to the number of Shares held by Shareholders (as nearly as possible to their existing holding without involving fractions) Any offers made pursuant to this article 35 2
- (a) shall be in writing, shall be open for acceptance for a period of 15 Business Days from the date of such offer and give details of the number and subscription price of the Relevant Securities proposed to be allotted, and
 - (b) may stipulate that any Shareholder who wishes to subscribe for a number of Relevant Securities in excess of the proportion to which, when having regard to his existing holding of Shares, he would be entitled, shall in his acceptance of the offer state whether or not he would wish to subscribe for any excess Relevant Securities ("**Excess Securities**") (if any)
- 35 3 On the expiry of the period specified in article 35 2, the Company shall issue and allot the relevant number of Relevant Securities to those Shareholders who accepted the Company's offer under article 35 2
- 35 4 In the event that there are any Relevant Securities not accepted by Shareholders pursuant to an offer made in accordance with article 35 2, the Company shall thereafter offer in writing to each Shareholder who gave notice that they would wish to subscribe for any Excess Securities ("**Excess Shareholder**") of the number and subscription price of the Excess Securities that are available Any offers made pursuant to this article 35 4
- (a) Shall be in writing, and shall be open for acceptance for a period of 15 Business Days for the date of such offer On the expiry of the period specified in article 35 4, the Company shall issue and allot the relevant number of Excess Securities to those Excess Shareholder who accepted the Company's offer under article 35 4
- 35 5 If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to such Excess Shareholders who accepted the offer of and were allotted Shares pursuant to the initial offer made pursuant to article 35 2 *pro rata* to the number of Shares held by the Excess Shareholders immediately following the issue and allotment of Relevant

Securities in accordance with article 35.3 (as nearly as possible to their existing holding without involving fractions or increasing the number of Excess Securities allotted to any Shareholder above that applied for by him) After that allotment, any Excess Securities 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 existing Shareholders

- 35.6 In the event that there is a shareholders agreement in force at that time, the Board shall procure that, as a condition of the registration of any allotment of Shares, the allottee (unless such person is already a party to any such shareholders agreement (if any)) shall execute and deliver to the Company a deed of adherence in the form specified by the Board, under which the allottee agrees to be bound by the terms of such shareholders agreement (if any) as if the allottee were an original party to such shareholders agreement
- 35.7 Where any Shares comprise Relevant Securities (including Excess Securities) are proposed to be issued and allotted to an existing Shareholder, and any such Shares are of a different class of Share to the class of Share held by the relevant existing Shareholder ("the Recipient"), the Shareholders and the Company shall procure that such Shares are re-designated to the class of share held by the Recipient

36. TRANSFER OF SHARES

- 36.1 Except for a Permitted Transfer, a Non-Founder Shareholder shall not transfer any Shares otherwise than in accordance with the provisions of these Articles and/or any Shareholders agreement in force at that time
- 36.2 Subject to article 37 and article 39, if a Non-Founder Shareholder desires to transfer any Shares or dispose of any interest therein ("the Seller") the Non-Founder Shareholder shall serve notice on the Company in writing (hereinafter called "a Transfer Notice") accompanied by the relevant share certificate(s) and specifying the number of the Shares the Non-Founder Shareholder wishes to sell which may be all or part only of the Shares then held by the Non-Founder Shareholder (hereinafter called "the Sale Shares"),
- 36.3 Upon receipt of the Transfer Notice by the Company, the provisions of article 36.4 shall apply in relation to determining the Sale Price per Sale Share
- 36.4 The price per Sale Share ("the Sale Price") shall be -
- (i) the price agreed in writing between the Seller and the Board,
 - or

- (ii) in default of such agreement (whether by reason of disagreement, absence, death or otherwise) within 21 days of the receipt by the Company of the Transfer Notice the price per Sale Share shall be determined by the Independent Accountants acting as an expert and not as an arbitrator and whose written determination shall be final and binding on the Seller, the Board, the Company and the Shareholders (save in the case of manifest error or fraud) and who shall by writing under its hand certify the price so ascertained. In determining the value of the Sale Shares the Independent Accountants shall proceed on the following bases and assumptions -
- (1) valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued capital of the Company which they represent,
 - (2) if the Company is then carrying on in business as a going concern, on the assumption that it will continue to do so,
 - (3) the sale is to be on arms length terms between a willing seller and a willing buyer,
 - (4) the Sale Shares are sold free of all restrictions, liens, charges and other encumbrances, and
 - (5) the sale is taking place of the date the Independent Accountants were requested to determine the Sale Price

36.5 Upon the agreement or determination of the Sale Price (howsoever arising) and providing that the Seller has not previously withdrawn the Transfer Notice prior to the agreement or determination of the Sale Price, the Company shall have the option, (subject always to complying with the provisions of the Companies Act) to serve a notice on the Seller in writing within 21 days of such agreement or determination of the Sale Price specifying whether or not the Company wishes to purchase all or some of Sale Shares and if so how many ("**Decision Notice**") In the event that the Decision Notice specifies that Company wishes to purchase some or all of the Sale Shares, completion of the sale and purchase of the number of Sale Shares specified in the Decision Notice at the Sale Price shall take place (in accordance with the provisions of Article 38) no later than 28 days after the date of the Decision Notice (save that where clearance from HM Revenue & Customs is required the reference to 28 days shall be deemed to be a reference to 7 days after the receipt of clearance from HM Revenue & Customs) If the Seller shall fail to complete the sale of the relevant Sale Shares, the Company by some person appointed by the Board shall be deemed to have been appointed attorney of the Seller

with full power to execute, complete and deliver in the name and on behalf of the Seller, transfers of the relevant Sale Shares to the Company thereof against payment in full of the Sale Price to the Seller

- 36 6 If the Company serves notice upon the Seller that the Company does not wish to purchase the Sale Shares, or fails to serve a notice within the 21 day period referred to in article 36 5, or the Company has only purchased some of the Sale Shares in accordance with article 36 5, then the Transfer Notice shall constitute the Company (by its Board) the Seller's agent empowered to sell the Sale Shares (or as the case may be the remaining balance thereof) at the Sale Price previously agreed or determined pursuant to article 36 4. The Company shall thereafter promptly by notice in writing inform all of the Founder Shareholders (each a "**Continuing Founder Shareholder**" and together the "**Continuing Founder Shareholders**") of the number of Sale Shares available for purchase and the Sale Price and invite them to apply in writing to the Company within 20 days of the date of despatch of the notice (which date shall be specified therein) for such maximum number of Sale Shares (being all or any thereof) as they shall specify in such application ("**Sale Notice**")
- 36 7 Within 20 days of the date specified in the Sale Notice each Continuing Founder Shareholder shall be entitled (but not obliged) to give notice in writing (**Acceptance Notice**) to the Company stating that he wishes to purchase his Entitlement (being in the case of each Continuing Founder Shareholder, each Continuing Founder Shareholder's proportionate entitlement to the Sale Shares, being the same proportion of the Sale Shares as the proportion that the number of Shares held by him bears to the total number of Shares held by the Continuing Founder Shareholders) OR a specified number of Sale Shares up to a maximum of his Entitlement of the Sale Shares at the Sale Price. A Continuing Founder Shareholder may, in his Acceptance Notice, indicate that he would be willing to purchase a particular number of Sale Shares in excess of his Entitlement (**Extra Shares**)
- 36 8 If, on the expiry of the relevant 20 day period referred to in article 36 7, the total number of Sale Shares applied for is greater than the available number of Sale Shares, each accepting Continuing Founder Shareholder shall be allocated his Entitlement (or such lesser number of Sale Shares for which he has applied) and applications for Extra Shares shall be allocated in accordance with such applications or, in the event of competition, among those Continuing Founder Shareholders applying for Extra Shares in such proportions as equal (as nearly as may be) the proportions of all the shares held by the Continuing Founder Shareholders

- 36 9 Completion of those Sale Shares accepted by the relevant Continuing Founder Shareholders under article 36 7 (and, where, relevant, article 36 8) shall take place in accordance with article 38
- 36 10 In relation to any Sale Shares not accepted by Continuing Founder Shareholders under article 36 7 (and, where relevant, article 36 8), articles 36 11 to 36 15 inclusive shall apply
- 36 11 The Company shall thereafter promptly by notice in writing inform all of the other Non-Founder Shareholders (for the avoidance of doubt excluding the Seller and any Non-Founder Shareholder who is subject to a Compulsory Relevant Event) (each a "**Continuing Non-Founder Shareholder**" and together the "**Continuing Non-Founder Shareholders**") of the number of Sale Shares available for purchase and the Sale Price and invite them to apply in writing to the Company within 20 days of the date of despatch of the notice (which date shall be specified therein) for such maximum number of Sale Shares (being all or any thereof) as they shall specify in such application (the "**2nd Sale Notice**")
- 36 12 Within 20 days of the date specified in the 2nd Sale Notice a Continuing Non-Founder Shareholder shall be entitled (but not obliged) to give notice in writing (**Acceptance Notice**) to the Company stating that he wishes to purchase his Entitlement (being in the case of each Continuing Non-Founder Shareholder, each Continuing Non-Founder Shareholder's proportionate entitlement to the Sale Shares, being the same proportion of the Sale Shares as the proportion that the number of Shares held by him bears to the total number of Shares held by the Continuing Non-Founder Shareholders) OR a specified number of Sale Shares up to a maximum of his Entitlement of the Sale Shares at the Sale Price A Continuing Non-Founder Shareholder may, in his Acceptance Notice, indicate that he would be willing to purchase a particular number of Sale Shares in excess of his Entitlement (**Extra Shares**)
- 36 13 If, on the expiry of the relevant 20 day period referred to in article 36 12, the total number of Sale Shares applied for is greater than the available number of Sale Shares, each accepting Continuing Non-Founder Shareholder shall be allocated his Entitlement (or such lesser number of Sale Shares for which he has applied) and applications for Extra Shares shall be allocated in accordance with such applications or, in the event of competition, among those Continuing Non-Founder Shareholders applying for Extra Share in such proportions as equal (as nearly as may be) the proportions of all the shares held by such Continuing Non-Founder Shareholders

36 14 Completion of those Sale Shares accepted by Continuing Non-Founder Shareholders under article 36 12 (and, where, relevant, article 36 13) shall take place in accordance with article 38

36 15 In relation to any Sale Shares not accepted by Continuing Non-Founder Shareholders under article 36 12 (and, where relevant, article 36 13)

- (a) the Seller shall be entitled for a period of 90 days to transfer those Sale Shares to any third party buyer at a price per Sale Share not less than the Sale Price PROVIDED ALWAYS that such third party buyer is approved in writing by the Board, acting reasonably, and
- (b) in the event that there is a shareholders agreement in force at that time, the Seller shall (with the full cooperation of the Company and the Shareholders) procure that any buyer of Sale Shares that is not, immediately prior to completion of the transfer in question, a party to that agreement shall, at completion, enter into a deed of adherence with the continuing Shareholders, agreeing to be bound by the terms of that agreement, in the form specified by the Board (but not so as to oblige the buyer to have any obligations or liabilities greater than those of the Seller) For the avoidance of doubt the Board shall not register any such person as the holder of any such Sale Share until such deed of adherence has been executed

36 16 For the purposes of these Articles a "Permitted Transfer" shall be -

- (a) A transfer of any Shares to any other Shareholder (other than any Non-Founder Shareholder subject to a Compulsory Relevant Event) of the Company at that time, and/or
- (b) A transfer of any Shares to any person with the prior written consent of all of the Founder Shareholders

36 17 It is agreed that provided that the proposed transfer of the Sale Shares is a Permitted Transfer, or the procedure set out in these Articles for the transfer of Shares has been complied with, the Directors shall not be permitted to unreasonably refuse to register such transfer

37. COMPULSORY TRANSFER OF SHARES

37 1 For the purposes of this article 37 "Compulsory Relevant Event" means in relation to a Non-Founder Shareholder, ("**Relevant Shareholder**") -

- (a) The Relevant Shareholder
- (i) dying,

- (ii) becoming physically incapacity as a result of ill health or injury which lasts for a consecutive period of 6 months or more, and which prevents the Relevant Shareholder from performing his or her day to day duties as an employee and/or officer of Ivory Dental Care Limited (company number 06531415),
- (iii) being adjudicated bankrupt or an arrangement or composition being made with his or her creditors, or where the Relevant Shareholder otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors, or
- (iv) becoming a patient under any mental health legislation under which a third party is appointed by the Court to manage the affairs of the Relevant Shareholder, or
- (v) committing a material breach of any of the provisions of any shareholders agreement in force at that time and/or these Articles and the Relevant Shareholder, where such breach is capable of remedy, failing to remedy such breach within 20 Business Days (or such other longer period as determined by the Board) of written notice to remedy the breach (specifying the alleged material breach and steps required to remedy the same) being served on the Relevant Shareholder by the Board, or
- (vi) ceasing to be an employee of Ivory Dental Care Limited (company number 06531415),

37 2 Upon the Board becoming aware of a Compulsory Relevant Event as specified in article 37 1, then the Board may, by written notice to the Relevant Shareholder within 180 days of the Board becoming aware of such event, require the Relevant Shareholder to serve a Transfer Notice in respect of all the Shares as shall then be registered in the name of such Relevant Shareholder. In any case where the Board requires a Transfer Notice to be given pursuant to this article 37 2 in respect of any Shares, if a Transfer Notice is not duly given within 7 Business Days of the demand being made, a Transfer Notice shall be deemed to have been given at the end of that period by the Relevant Shareholder.

37 3 Following the issue of a Transfer Notice (or deemed Transfer Notice) pursuant to article 37 2, the provisions of article 36 (and if applicable article 38) shall apply including in relation to the calculation of the Sale Price and the subsequent completion of the transfer of the Sale Shares save that

37 3 1 The Transfer Notice shall be for all the Shares then registered in the name of the Relevant Shareholder, and

- 37 3 2 Shall take effect on the basis that it does not state a price for the said Shares, and
- 37 3 3 The Sale Price shall be determined by the Independent Accountants in accordance with article 36 4 (ii), and
- 37 3 4 A Transfer Notice cannot be withdrawn

38. COMPLETION OF SHARE PURCHASE

- 38 1 Completion of the sale and purchase of shares under articles 36 7 and 36 8, article 36 12 and article 36 13 shall take place -
 - 38 1 1 In the case of articles 36 7 and 36 8, no later than 15 Business Days after the date of the delivery of the Acceptance Notice and the calculation as to whether any Extra Shares are available, or
 - 38 1 2 In the case of articles 36 12 and 36 13, no later than 15 Business Days after the date of the delivery of the Acceptance Notice and the calculation as to whether any Extra Shares are available
- 38 2 At such completion
 - 38 2 1 the Seller shall deliver, or procure that there is delivered, a duly completed stock transfer form transferring the legal and beneficial ownership of the relevant Sale Shares to the purchaser thereof, together with the relevant share certificate(s) (or an indemnity in lieu thereof) and such other documents as the Company and/or Founder Shareholders may reasonably require to show good title to the relevant Sale Shares, or to enable him to be registered as the holder of the relevant Sale Shares or where the purchaser is the Company otherwise appropriately deal with the same in compliance with the Companies Act,
 - 38 2 2 the purchaser of the relevant Sale Shares shall deliver to the Seller a bankers' draft made payable to the Seller or to his order for the Sale Price for the relevant Sale Shares being transferred to him, and
 - 38 2 3 If the Seller shall fail to complete the sale of the relevant Sale Shares, the Company by some person appointed by the Board shall be deemed to have been appointed attorney of the Seller with full power to execute, complete and deliver in the name and on behalf of the Seller, transfers of the relevant Sale Shares to the Company thereof against payment in full of the Sale Price to the Seller
- 38 3 Any transfer of Shares by way of a sale that is required to be made under these Articles shall be deemed to include a warranty that the Seller sells the Sale Shares with full title guarantee

- 38 4 If any Shareholder fails to pay the Sale Price payable by him on the due date, without prejudice to any other remedy which the Seller may have, the outstanding balance of that Sale Price shall accrue interest at a rate equal to 4% per annum above the base rate of the Company's bank from time to time

39. DRAG ALONG RIGHTS

- 39 1 If those Shareholders holding 51% or more of the Shares in issue for the time being ("**Selling Shareholders**") wish to transfer all of their interest in the Shares ("**Sellers' Shares**") to a bona fide arm's length purchaser ("**Proposed Buyer**"), the Selling Shareholders may require all other Shareholders ("**Called Shareholders**") to sell and transfer all their shares to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this article ("**Drag Along Option**")
- 39 2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect ("**Drag Along Notice**") at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify
- (a) that the Called Shareholders are required to transfer all their Shares ("**Called Shares**") pursuant to the Drag Along Notice, and
 - (b) the person to whom the Called Shares are to be transferred, and
 - (c) the consideration payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per share offered by the Proposed Buyer for the Sellers' Shares and shall be for no less than the Fair Value (as certified by the Company's Accountants, and whose certificate of the Fair Value shall be annexed to the Drag Along Notice), and
 - (d) the proposed date of the transfer
- 39 3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 25 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 39 4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this article 39.
- 39 5 Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Sellers' Shares unless

- 39 5 1 all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Selling Shareholders, or
- 39 5 2 that date is less than 7 Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the 14 Business Days after service of the Drag Along Notice
- 39 6 The rights of pre-emption set out in these Articles shall not apply to any transfer of shares to a Proposed Buyer (or as it may direct) pursuant to a sale for which a Drag Along Notice has been duly served
- 39 7 Within 7 Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Selling Shareholders shall procure the payment by the Proposed Buyer, of the amounts due to each Called Shareholders for their respective Called Shares pursuant to article 39 2 (c)
- 39 8 To the extent that the Proposed Buyer does not, on the Completion Date, pay any amount due to any of the Called Shareholders, the Called Shareholders shall be entitled to the return of their stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this article 39 in respect of their Shares
- 39 9 If any Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by him, the defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute all necessary transfer(s) on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares, to deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder, 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 39
- 39 10 Following the issue of a Drag Along Notice, on any person becoming a Shareholder of the Company 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 (a 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 39 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

39 11 The Fair Value per Called Share for any shares to be transferred under this article 39 is the amount that Company's Accountants consider to be the fair value per Called Share, and the Company's Accountants shall provide a certificate as to the Fair Value per Called Share. In determining the Fair Value, the Company Accountants shall rely on the following assumptions:

39 11 1 valuing each of the Called Shares as a proportion of the total value of all the issued shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued capital of the Company which they represent,

39 11 2 if the Company is then carrying on in business as a going concern, on the assumption that it will continue to do so,

39 11 3 the sale is to be on arms length terms between a willing seller and a willing buyer,

39 11 4 the Called Shares are sold free of all restrictions, liens, charges and other encumbrances,

39 11 5 the sale is taking place on the date the Company's Accountants were requested to determine the Fair Value.

40. NAME AND REGISTERED OFFICE

40 1 The name of the Company is A G Carter Limited

40 2 The Company's registered office is to be situated in England and Wales

41. OBJECTS

41 1 The Company's objects are unrestricted