

Company number 07252052

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

ABBOTS 381 LIMITED ("Company")

25 JANUARY 2017 ("Circulation Date")

THURSDAY



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COMPANIES HOUSE

Under Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolutions are passed as an ordinary resolution in respect of resolution 1 and special resolutions in respect of resolutions 2 and 3 ("**Resolutions**")

#### **Ordinary Resolution**

##### **1 AUTHORITY TO ALLOT**

THAT, in accordance with section 551 of the Companies Act 2006 the directors of the Company (**Directors**) be generally and unconditionally authorised to allot shares in the Company up to an aggregate nominal amount of £2,500 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the date 5 years following the date of this resolution and the Directors may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired

This authority revokes and replaces all unexercised authorities previously granted to the Directors

#### **Special Resolution**

##### **2 DISAPPLICATION OF PRE-EMPTION RIGHTS**

THAT, subject to the passing of resolution 1 and in accordance with section 570 of the CA 2006, the Directors be generally empowered to allot equity securities (as defined in section 560 of the CA 2006) pursuant to the authority conferred by resolution 1, as if section 561(1) of the CA 2006 did not apply to any such allotment

##### **3 ADOPTION OF NEW ARTICLES OF ASSOCIATION**

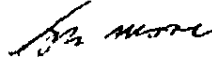
THAT the draft articles of association attached to these resolutions be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Company's existing articles of association

## AGREEMENT

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

The undersigned, a person entitled to vote on the Resolution on the Circulation Date hereby irrevocably agrees to the Resolution

Signed by John Francis Moore



SIGNATURE

Date

25 JANUARY 2017

## NOTES

1 You can choose to agree to all of the **Resolutions** or none of them, but you cannot agree to only one of them. If you agree with the 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 delivery methods:

- **By hand** delivering the signed copy to John Francis Moore at the Company's registered address
- **Post** returning the signed copy by post to John Francis Moore at the Company's registered address
- **Email** by attaching a scanned copy of the signed document to an email and sending it to [vicki-mitman@birketts.co.uk](mailto:vicki-mitman@birketts.co.uk). Please type "Written resolutions dated [CIRCULATION DATE]" in the email subject box.

If you do not agree to the 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 Resolutions, you may not revoke your agreement.

3 Unless by 28 days following the Circulation Date sufficient agreement is received for the Resolution to pass, it will lapse. If you agree to the 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

**ABBOTS 381 LIMITED**

Incorporated 12 May 2010

No 7252052

THE COMPANIES ACT 2006  
PRIVATE COMPANY LIMITED BY SHARES  
NEW  
ARTICLES OF ASSOCIATION  
OF  
**ABBOTS 381 LIMITED**

(Adopted by special resolution passed on 25 January 2017)

**1 PRELIMINARY**

**1 1 In these Articles**

**1 1 1** the following expressions shall have the meanings respectively ascribed

"A Ordinary Shares"	the A ordinary shares of £1 00 each in the share capital of the Company,
"Act"	the Companies Act 2006,
"Auditors"	the auditors for the time being of the Company (or, if the Company is exempt from the requirement to appoint auditors and has not appointed auditors, the principal accountants for the time being of the Company),
"B Ordinary Shares"	the B ordinary shares of £1 00 each in the share capital of the Company,
"Bad Leaver"	<p>a departing Shareholder or Departing Employee Shareholder (other than the Founder), who ceases to be a director or employee of the Company (or any other Group Company) and does not continue as, or become, a director or employee of any other Group Company, where that cessation occurs in circumstances where the departing Shareholder</p> <p>(a) is guilty of any fraud, dishonesty or gross negligence,</p> <p>(b) is engaged in a management position, either directly or indirectly, by a competitor of the Company (or any Group Company), or</p> <p>(c) is dismissed or resigns within five (5) years from acquiring the shares or such earlier date or reduced period as nominated in writing by the Founder,</p>
"Board"	the board of directors of the Company or (where the context permits) a

	duly authorised committee thereof,
C Ordinary Shares	the C ordinary shares of £1 00 each in the share capital of the Company,
"Capital Priority Sum"	<p>the sum of <math>N + [N \times (1.06^{N/365} - 1)]</math> where</p> <p>N is the aggregate nominal value of all Preferred Ordinary Shares in issue together with all premiums paid up on such Preferred Ordinary Shares</p> <p>n is the number of days which have elapsed from the date of adoption of these Articles,</p>
"civil partner"	in relation to a member, a civil partner as defined by the Civil Partnership Act 2004,
"contract of services"	in relation to any member means a contract (whether with the member or any other person and whether or not reduced to writing) under which the services of the member are to be supplied to any Group Company,
"Departing Employee Shareholder"	an Employee Shareholder who ceases to be a director or employee of the Company (or any other Group Company) and does not continue as, or become, a director or employee of any other Group Company,
"Employee Shareholder"	a Shareholder who is, or has been, a director and/or an employee of any Group Company,
"Family Trusts"	in relation to an individual Shareholder, a trust or settlement set up wholly for the benefit of that individual Shareholder ("Settlor") and/or the Settlor's Privileged Relations,
"Founder"	John Francis Moore,
"Good Leaver"	a departing Shareholder (other than the Founder) who is not a Bad Leaver,
"Group"	the Company, together with any holding company or subsidiary for the time being of the Company and any subsidiary for the time being of any such holding company, and references to "member of the Group" shall be construed accordingly,
"Group Company"	the Company or any member for the time being of the Group,
"holding company"	the meaning in section 1159 and Schedule 6 of the Companies Act 2006,
"Majority Holder"	any person from time to time registered as the holder of a majority in nominal value of the Ordinary Shares including, in the case of an

individual after his death, such individual's personal representative, and provided that in the case of joint holders of Ordinary Shares constituting such majority, those joint holders acting together shall be treated as the "Majority Holder",

"Minority Holder"	David Palmer or any transferee of shares from David Palmer or any other shareholder nominated in writing by the Founder to the Company ,
"Model Articles"	the Model Articles for private companies limited by shares set out in Schedule 1 of the Companies (Model Articles) Regulations 2008,
"Ordinary Shares"	either an A Ordinary Share, a B Ordinary Share or a C Ordinary Share in the Company as further defined in Article 7 3,
"Preferred Ordinary Shares"	preferred ordinary shares of £0 00001 (0 001 pence) each in the Company as further defined in Article 7 3,
"Preferred Ordinary Shareholder"	a holder of Preferred Ordinary Shares,
"Privileged Relation"	the spouse, civil partner, widow or widower of a Shareholder and the Shareholder's children and grandchildren,
"Relevant Association"	in relation to any member means as association of that member with any Group Company by virtue of (a) the employment of that member by any Group Company, and/or (b) the provision of the services of that member to any Group Company pursuant to a contract of services, and/or (c) the holding by that member of the office of director of any Group Company,
"Sale Shares"	the meaning in Article 10 3,
"Shareholder"	a holder of shares in the Company,
"subsidiary"	the meaning in section 1159 and Schedule 6 of the Companies Act 2006, and
"Termination Date"	(a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires, (b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served, (c) where an Employee Shareholder dies, the date of his death, (d) where the Employee Shareholder concerned is a director but not an employee, the date on which his service agreement with the Company is terminated, and in any other case, the date on which the employment agreement

is terminated

1 1 2 any reference to a transfer includes (i) any direction (by way of renunciation, nomination or otherwise and whether or not in writing) by any member entitled to any allotment or transfer of shares to the effect that such shares or any of them be allotted or issued or transferred to some person other than himself and (ii) any sale or other disposition of any beneficial interest in a share (whether or not for any consideration) by whomsoever made and whether or not effected by an instrument in writing,

1 1 3 references to any provision of any statute or any statutory instrument shall include any provision from time to time amending, replacing or re-enacting the same

1 2 The Model Articles shall, except as provided elsewhere in these Articles and except insofar as the same are inconsistent with these Articles, apply to the Company

## 2 **DIRECTORS**

2 1 The number of directors need not exceed one and shall always include at least one natural person

## 3 **APPOINTMENT AND REMOVAL OF DIRECTORS**

3 1 Paragraph (d) of Article 18 of the Model Articles shall not apply to the Company

3 2 The Majority Holder may at any time and from time to time appoint a maximum of one person to be a Director ("Majority Director") notwithstanding any limitation on the number of Directors from time to time contained in these Articles or remove from office any such Majority Director howsoever appointed but so that his removal from office shall be deemed to be an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company

3 3 Any appointment or removal as provided in Articles 3 2 shall be by notice in writing served on the Company and signed by the Majority Holder

## 4 **PROCEEDINGS OF DIRECTORS**

4 1 Subject to the provisions of these Articles the Board may regulate its proceedings as it thinks fit

4 2 Notice of meetings of the Board shall be given to all directors whether or not for the time being absent from the United Kingdom

4 3 At all meetings of the Board and its committees each director shall have one vote

4 4 The Chairman at any meeting of the Board shall have a second or casting vote Article 13 of the Model Articles shall apply

4 5 The Board may dispense with the keeping of attendance books for meetings of the Board or of committees of the Board



## **5 DIRECTORS' INTERESTS**

5 1 Subject to the provisions of section 177 and 182 of the Act, a director may be interested, directly or indirectly, in any contract transaction or arrangement or proposed contract transaction or arrangement with the Company or in which the Company is interested and (except as regards the office of Auditor) he may hold and be remunerated in respect of any office or place of profit under the Company, and he or any firm of which he is a partner may act in a professional capacity for the Company and be remunerated. Subject to Article 5 3 3 in relation to any such matter a director notwithstanding his interest may vote and be taken into account for the purposes of a quorum and may retain for his own absolute use and benefit all profits and advantages accruing to him. Article 14 of the Model Articles shall not apply to the Company.

5 2 The Board may authorise any matter proposed to it by any director which would, if not authorised, involve a director breaching his duty under section 175 of the Act to avoid conflicts of interest.

5 3 Where the Board authorises a conflict of interest in accordance with Article 5 2 it may provide, without limitation (whether at the time of giving the authority or subsequently) that the director

5 3 1 is excluded from discussions (whether at meetings of directors or otherwise) related to the conflict of interest,

5 3 2 is not given any documents or other information relating to the conflict of interest,

5 3 3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of the Board in relation to any resolution relating to the conflict of interest.

## **6 ALTERNATE DIRECTORS**

6 1 Any director (other than an alternate director) may at any time appoint any person to be the alternate director of any director and may at any time terminate such appointment. Such appointment shall have effect only upon and subject to being approved by the Board. The appointment of another director of the Company as an alternate director shall not require such approval but shall cease to be effective after such director ceases to hold the office of director unless so approved. The same person may be appointed as alternate director of more than one director. Provided that all of the directors for whom he is an alternative are of the same class. The vote or votes of an alternate director shall be in addition to any vote or votes he may have in his own right.

6 2 The appointment of an alternate director shall automatically terminate on the happening of any event which if he were a director would cause him to vacate such office and shall also terminate automatically if the director for whom he is an alternate (below called "his appointor") shall cease for any reason to be a director.

6 3 An alternate director shall be entitled to receive notices of meetings of the Board and of any committee of the Board of which his appointor is a member and to attend and vote as a director and be counted in the quorum at any such meeting at which his appointor is not personally present and generally at such meeting to perform all functions of his appointor as a

director If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill health or disability his signature to any resolution in writing of the directors shall be as effective as the signature of his appointor

- 6 4 An alternate director shall be entitled to receive notice of and attend general meetings of the Company and to speak at any general meeting at which his appointor is not personally present
- 6 5 An alternate director shall be entitled to contract and be interested in and benefit from contracts transactions or arrangements and to be repaid expenses and to be indemnified by the Company to the same extent as if he were a director but shall not in respect of such appointment be entitled to receive any remuneration from the Company except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct
- 6 6 Save as otherwise provided in these Articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of his appointor

## **7 SHARE CAPITAL**

- 7 1 Save to the extent permitted by Article 21 of the Model Articles, no shares may be issued which are not fully paid up at the time of their issue
- 7 2 The share capital of the Company at the date of the adoption of these Articles is divided into
- 7 2 1 10,000 A Ordinary Shares,
  - 7 2 2 1,250 B Ordinary Shares,
  - 7 2 3 1,250 C Ordinary Shares
  - 7 2 4 1,492,000 Preferred Ordinary Shares
- 7 3 The respective rights attached to the Preferred Ordinary Shares and the Ordinary Shares as to income, voting and capital are as follows
- 7 3 1 as regards income
    - (a) the profits of the Company available for distribution and resolved to be distributed in respect of any financial year shall be applied first, in priority to any payment of all other dividends, in paying to the holders of the Preferred Ordinary Shares a fixed dividend at the rate of £0 00001 (0 001 pence) per share and thereafter, such of the profits of the Company available for distribution and resolved to be so distributed shall be applied only to the holders of the Ordinary Shares,
    - (b) in the event that any financial year is longer or shorter than 12 months the rate specified in sub-paragraph (a) above shall be adjusted proportionately,

- (c) on a return of capital of the Company any unpaid dividend (whether or not declared) shall not constitute a debt of the Company and no member shall be entitled to demand payment thereof

7 3 2 As regards voting

- (a) the Preferred Ordinary Shares shall not entitle the holders thereof to receive notice of or to attend or vote at any general meeting unless the business of the meeting includes the consideration of a resolution directly and adversely affecting any of the special rights attached to the Preferred Ordinary Shares,
- (b) in respect of any matter on which the holders of the Preferred Ordinary Shares (in their capacity as such) shall be entitled to vote, including at a class meeting of the Preferred Ordinary Shareholders, every Preferred Ordinary Shareholder who is present in person or by proxy or, if a corporation, by its duly appointed representative shall on a show of hands have one vote and on a poll every Preferred Ordinary Shareholder who is present in person or by proxy or, if a corporation, by representative or proxy shall have one vote for each Preferred Ordinary Share of which he is the holder,
- (c) the holders of the Ordinary Shares shall be entitled to receive notice of and to attend and vote at any general meeting of the Company and on a vote taken at any such general meeting every such Ordinary Shareholder who is present in person or, if a corporation, by its duly appointed representative shall on a show of hands have one vote and on a poll every such person who is present in person or by proxy or, if a corporation, by representative or proxy shall have one vote for each Ordinary Share of which it is the holder,
- (d) without prejudice to the generality of the foregoing, the creation of further shares ranking in any respect in priority to or *pari passu* with the Preferred Ordinary Shares in the capital of the Company shall be deemed to constitute a variation of the special rights attached to the Preferred Ordinary Shares

7 3 3 As regards capital

- (a) on a return of capital on liquidation or otherwise the assets of the Company available for distribution among the members shall be applied first in paying to the holders of the Preferred Ordinary Shares as a class the amount of the Capital Priority Sum, such sum to be distributed amongst the holders of the Preferred Ordinary Shares *pro rata* (as nearly as may be) to their respective holdings of Preferred Ordinary Shares and secondly in payment of any balance to the holders of the Ordinary Shares *pro rata* (as nearly as may be) to their respective holdings of Ordinary Shares,
- (b) following the payment of the Capital Priority Sum to the holders of the Preferred Ordinary Shares, the holders of the Preferred Ordinary Shares

shall not be entitled to any participation in the profits or the assets of the Company

7 4 Subject to the provisions of section 334 of the Act whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding-up, with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class but not otherwise To every such separate meeting all the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, *mutatis mutandis*, apply, except that the necessary quorum shall be two persons at least (or, if less, all the holders of shares of the class concerned) holding or representing by proxy not less than one-third in nominal amount of the issued shares of the class but so that if at any adjourned meeting of such holders a quorum as above defined is not present those members who are present shall be a quorum), and that the holders of shares of the class present in person or by proxy shall, on a poll taken at a separate class meeting, have one vote in respect of every share of the class held by them respectively

7 5 A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a separate meeting of the holders of a class of shares shall be as effectual as if it had been passed at such a meeting duly convened and held and may consist of several instruments In like form each executed by or on behalf of one or more members

7 6 Save as permitted by law, nothing in this Article 7 shall authorise the allotment or issue of shares in the Company at a discount

7 7 Subject to the provisions of the Act, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder on such terms and in such manner as may be determined by special resolution of the Company and Article 22 of the Model Articles shall not apply to the Company

## 8 EXERCISE OF CERTAIN POWERS

8 1 The powers conferred by sections 617 and 618 of the Act and the powers contained in Articles 30, 34, 36, 50 and 51 of the Model Articles may be exercised only by special resolution

## 9 PERMITTED TRANSFERS

9 1 Any Shareholder (the "Original Shareholder") may transfer any Preferred Ordinary Share or Ordinary Share or interest in such a share (whether or not a beneficial interest therein) at any time with the prior consent in writing of the Majority Holder

9 2 Save as otherwise set out in this Article 9, the Preferred Ordinary Shares shall not be transferable

9 3 Subject to Article 9 1, where shares are held by the trustees of a Family Trust, the trustees may transfer shares to

- 9 3 1 the Original Shareholder,
  - 9 3 2 another Privileged Relation of the Original Shareholder,
  - 9 3 3 another Family Trust of which the Original Shareholder is the Settlor, or
  - 9 3 4 to the new (or remaining) trustees upon a change of trustees of a Family Trust without any price or other restriction
- 9 4 A transfer of shares may only be made to a Family Trust if the Majority Shareholder is satisfied (acting reasonably)
- 9 4 1 with the material terms of the trust instrument,
  - 9 4 2 with the identity of the proposed trustees, and
  - 9 4 3 that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company
- 9 5 Subject to Article 9 1, if a transfer is made to the spouse or civil partner of the Original Shareholder, the transferee shall within 20 Business Days of ceasing to be the spouse or civil partner of the Original Shareholder (whether by reason of divorce or otherwise) either
- 9 5 1 execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or, subject to Article 9 1, to a transferee specified under Article 9 3) for such consideration as may be agreed between them, or
  - 9 5 2 give a Transfer Notice to the Company in accordance with Article 10
- 9 6 The Original Shareholder shall procure that any transferee shall comply with the provisions of these Articles as if such transferee was named as the Original Shareholder herein
- 10 **PRE-EMPTION PROVISIONS**
- 10 1 Except in the case of a transfer of an Ordinary Share or of an interest in an Ordinary Share which is expressly authorised by Article 9 no Ordinary Share or interest in any Ordinary Share (whether or not a beneficial interest) may at any time be transferred (whether pursuant to a testamentary disposition or whether by way of security or for any other purpose) to any person (whether or not another member) unless and until the requirements set out in this Article 10 have been duly complied with
- 10 2 Before transferring any Ordinary Shares or an interest in any Ordinary Shares the transfer of which is not expressly authorised by Article 9 the person or persons (the "Transferor") proposing to transfer the same (including any person or persons entitled to any shares or any interest in any shares in consequence of the death of any person or in consequence of the bankruptcy or liquidation of any member) shall give notice in writing (a "Transfer Notice") to the Board that he desires to transfer the Ordinary Shares (or where such notice is deemed to have been served, it shall be referred to as a "Deemed Transfer Notice")
- 10 3 Save for any Transfer Notice required to be given pursuant to any of Articles 12 1 to 12 4 no

person may serve a Transfer Notice within the period of six months following any date on which a Transfer Notice was previously served by him. A Transfer Notice shall specify the number of Ordinary Shares the Transferor desires to transfer or in which he desires to transfer an interest (such shares being in each case the "Sale Shares") and the price per share (if any) at which he proposes to transfer the same. A Transfer Notice may (but need not) identify any proposed transferee of the Sale Shares.

- 10.4 A Transfer Notice may (except in the case of any Transfer Notice required to be given pursuant to Articles 12.1 to 12.4) contain a provision (a "Total Sale Condition") that unless all of the Sale Shares are sold pursuant to the following provisions none shall be so sold and such provision shall be binding on all persons.
- 10.5 A Transfer Notice given by a Transferor shall constitute the Company his agent for the sale of the Sale Shares (together with all rights attached to them at the date of receipt of the Transfer Notice) at the Prescribed Price (as defined in Article 11.1) and according to the provisions set out in this Article 10. A Transfer Notice shall be revocable only with the prior consent in writing of the Board or otherwise in accordance with the provisions of Article 10.
- 10.6 A copy of the Transfer Notice shall be given or sent by the Board to each member of the Company (other than the Transferor).
- 10.6.1 (in the case where the Prescribed Price in relation to the Transfer Notice was agreed between the Transferor and the Board as referred to in Article 11.1) within 21 days of receipt by the Board of that Notice, or
- 10.6.2 (in the case where the Auditors are to carry out a valuation as provided in Article 11.2 and the Transferor has not withdrawn the Transfer Notice actually given by him) within seven days after the expiry of the Withdrawal Period referred to in Article 11.7, or
- 10.6.3 (in the case where the Auditors are to carry out a valuation as provided in Article 11.2 in relation to a deemed Transfer Notice) within 14 days after the Auditors' Certificate has been received by the Board.

together with a statement of the Prescribed Price in relation to the Transfer Notice in question as well as, in any case where the Prescribed Price has been determined by the Auditors, a copy of the Auditors' Certificate setting out the details referred to in Clause 11.4 below. Each copy of the Transfer Notice shall be accompanied by a notice in writing from the Board or any one of the directors (an "Offer") offering to sell all the Sale Shares to the members of the Company (other than the Transferor) at the Prescribed Price per share and inviting each member to apply for any number of the Sale Shares up to the total number of the Sale Shares and on the terms that the Sale Shares shall be allocated first to the Majority Holder, and secondly insofar as any of the Sale Shares remain to be allocated to all the other applicants and, in the case of competition between them, in proportion (as nearly as possible without involving fractions) according to the number of shares in the Company (the Ordinary Shares and the Preferred Ordinary Shares being treated *pari passu* as one class for this purpose) of which they are registered or entitled to be registered as holders. Provided that no applicant shall be obliged to take more than the maximum number of shares applied for by him. The Offer shall limit a period of time (not being less than 21 days nor more than 42 days) (the "Offer

Period") within which it must be accepted or in default will lapse. A copy of the Offer shall be sent to the Transferor at the same time as it is sent to the other shareholders.

10.7 If the Board shall at the expiry of the Offer Period have found members of the Company who are able and willing to purchase all the Sale Shares or (subject to the proviso set out below) any of them the Board or any one of the directors shall without delay give notice in writing to the Transferor who shall (subject to the proviso set out below) be bound, upon payment of the Prescribed Price, to transfer such shares to the respective purchasers. Every such notice shall state the names and addresses of the purchaser or purchasers, the number of the Sale Shares agreed to be purchased by him or them respectively and a time for completion of the purchase or purchases. Such time shall not be less than seven days nor more than 14 days after the date of such notice. Unless otherwise agreed completion shall take place at the registered office of the Company. Provided always that if the Transfer Notice contained a Total Sale Condition the Transferor shall not be obliged to sell any of the Sale Shares under this Article 10 unless the Company shall have found purchasers for all of the Sale Shares.

10.8 If by the expiry of the Offer Period as referred to in Article 10.6 no notice in writing shall have been given under Article 10.7 that the Company has found purchasers able and willing to purchase all of the Sale Shares or if the Board shall at any time during that period give notice in writing to the Transferor that the Company has no prospect of finding purchasers for the Sale Shares, or any of them, the Transferor shall be entitled at any time within the period of 120 days of the making of such Offer to transfer those of the Sale Shares for which the Company has not within the Offer Period given notice that it has found (or has given notice that it has no prospect of finding) purchasers to any person (including to the extent permitted by law the Company itself) on a *bona fide* sale at any price per share not being less than the Prescribed Price. Provided that

10.8.1 if the Transfer Notice contained a Total Sale Condition he shall not without the prior consent in writing of the Board be entitled to transfer any of the Sale Shares unless all of the Sale Shares are so transferred,

10.8.2 in relation to any Transfer Notice given by the personal representative of any deceased member, the shares in question for which no purchaser has been found may instead of being so sold be transferred to any person or persons who are beneficiaries under the testamentary disposition of the deceased member. For this purpose the expression "testamentary disposition" shall include the intestacy of the deceased and any will or equivalent disposition in any jurisdiction outside the United Kingdom whether or not varied after death.

10.8.3 the Board may require to be satisfied that such shares are being transferred pursuant to and in accordance with this Article 10 and if not so satisfied shall be entitled to refuse to register the instrument of transfer, and

10.8.4 the Board may in its absolute discretion

(a) decline by notice in writing to the Transferor to register a transfer of shares to any person who is not already a member of the Company, or

(b) agree to register a transfer to any such person as mentioned in sub-

paragraph (a) above only upon such person undertaking to the Company to serve a Transfer Notice in circumstances stipulated by the Board at the time of the Board so agreeing to register the transfer

but the Board may only exercise such right to decline to register a transfer or to require such an undertaking to be given if it shall do so or shall have notified the Transferor in writing of its intention so to do within 30 days following lodgement of the transfer or (if earlier) receipt by it of written notification by the Transferor of the identity of the proposed transferee

- 10 9 If a Transferor shall fail or refuse to transfer any of the Sale Shares to a purchaser in accordance with a notice duly given to him by the Board, the Board may authorise some person to execute and deliver on his behalf the necessary transfer and the Company shall receive the purchase money in trust without interest for the Transferor and cause the purchaser to be registered as the holder of such shares. The receipt of the Company for the purchase money shall be a good discharge to the purchaser who shall not be bound to see to the application of the purchase money

#### 11 **PRESCRIBED PRICE**

- 11 1 If in relation to a Transfer Notice, at any time before or not more than 14 days after the date on which the Transfer Notice was received or deemed to have been given, the Transferor and the Board shall (whether or not in any separate agreement) have agreed in writing a price per share for the Sale Shares then such price shall be the "Prescribed Price" for the purposes of this Article 11. In the absence of any such agreement as to the price of the Sale Shares, the Prescribed Price shall be whichever is the lesser of

11 1 1 the sum per share determined and certified by the Auditors pursuant to Article 11 2, and

11 1 2 the sum (if any) specified by the Transferor in his Transfer Notice as being the price per share at which he proposes to transfer the Sale Shares

- 11 2 In the absence of any such agreement as to the price of the Sale Shares the Board or any one of the directors shall within 21 days of receiving a Transfer Notice (or in the case of a deemed notice, as soon as practicably possible after that notice is treated as having been received by the Board) request the Auditors of the Company to determine and certify the sum considered by them to be the fair value of all of the Sale Shares (taking into account the Capital Priority Sum) as at the date of receipt of the Transfer Notice and on that basis the value of each of the Sale Shares (being the said fair value divided by the number of the Sale Shares). Such certificate shall be the "Auditors' Certificate"

- 11 3 In determining fair value for the purpose of Article 11 2, the Auditors shall assume a sale on a going concern basis between a willing buyer and a willing seller (and so shall take into account any arm's length agreement reached by the Transferor with any third party) and shall implement any agreement in writing made at any time between the Transferor and all the other members of the Company as to the basis upon which the price for the Sale Shares is to be determined for the purposes of this Article 11 3



- 11 4 The Auditors' Certificate shall contain the assumptions on which their valuation is carried out together with details of the calculations made in arriving at such valuation
- 11 5 If the Company has no Auditors or if, in relation to any Transfer Notice, the Auditors are unable or unwilling to act in determining the value of the Sale Shares the valuation shall be carried out by an independent chartered accountant agreed upon by all the members of the Company or in default to be selected by the President or other proper officer for the time being of the Institute of Chartered Accountants in England and Wales on the application of the Company or of any member at any time and references to the Auditors in this Article 11 shall where appropriate be treated as including reference to a chartered accountant so agreed or selected
- 11 6 The Auditors shall act as experts and not as arbitrators and their determination shall be final and binding on all persons and the costs of their determination shall be apportioned equally amongst the Transferor and the transferees (if any) or borne by any one or more of them in such other proportions as the Auditors in their absolute discretion consider fair or, if the Sale Shares are not ultimately transferred for any reason, by the Transferor
- 11 7 A copy of the Auditors' Certificate shall be sent by the Board or by any one of the directors to the Transferor in respect of whose shares it is issued immediately on its issue. In any case where the Prescribed Price in relation to any Transfer Notice (other than one required to be given pursuant to any of Articles 12 1 to 12 4 or required to be given by any particular agreement to which the member is party and other than one deemed to have been given) is the price determined and certified by the Auditors as referred to in Article 11 1 and in the event that such Prescribed Price shall not be acceptable to the Transferor he shall be entitled to withdraw such Transfer Notice by giving a withdrawal notice in writing to the Board within 14 days of receiving a copy of the Auditors' Certificate stating that he thereby withdraws his Transfer Notice (such period being the "Withdrawal Period")

## 12 **COMPULSORY TRANSFERS**

- 12 1 A person entitled to any Ordinary Shares in consequence of the bankruptcy of a member and the liquidator or administrator of a member being a body corporate holding any shares and which enters into liquidation or administration shall be bound at any time, if and when required in writing by the Board so to do, to give a Transfer Notice in respect of such shares. References in this Article 12 1 to bankruptcy, liquidation and administration shall be treated as including any process in any jurisdiction similar to bankruptcy, liquidation and administration
- 12 2 If within six months of a member, being an individual or his or her personal representatives or trustee in bankruptcy (as the case may be), other than the Majority Holder, ceasing for whatever reason (including by reason of his death) to have a Relevant Association (in this Article 12 referred to as the 'Outgoing Shareholder') and such Outgoing Shareholder is required by notice or notices in writing given by the Board to give or procure the giving of a Transfer Notice or Notices in respect of all the shares in the Company then beneficially held by or registered in the name of the Outgoing Shareholder then the Outgoing Shareholder or his or her personal representatives shall give such Transfer Notice or Notices to the Board in respect of all such shares. Provided that this Article 12 shall not apply in relation to any shares held by an individual as a trustee in respect of any trust or settlement under which neither the individual, nor any spouse, former spouse, child, grandchild or other member of his family

directly or indirectly has any benefit (save as trustee) or is an eligible beneficiary) For the avoidance of doubt the Majority Holder will not be an Outgoing Shareholder for the purposes of this Article 12 2

- 12 3 Any member of the Company who, save through holding or being interested in quoted investments not representing more than five per cent (5%) of the issued securities of any class of any one company, shall at any time be directly or indirectly engaged or concerned in the conduct of or interested in any business which competes to any material extent with any business being carried on at that time by the Company shall be bound, if and when required by the Board so to do, to give a Transfer Notice in respect of all the shares in the Company held by that member or to which that member was entitled at the time of being so required
- 12 4 Notwithstanding any other provisions of these Articles, the transfer price shall, where the Departing Employee is
- 12 4 1 a Bad Leaver, be restricted to the maximum of the lower of the aggregate subscription price paid for such Sale Shares and the aggregate fair value (as determined in accordance with Article 11 3) of such Sale Shares, and
- 12 4 2 a Good Leaver, be the aggregate fair value (as determined in accordance with Article 11 3) of such Sale Shares
- 12 5 Notwithstanding the provisions of clause 12 4 the Majority Holder may, by notice in writing served on the Company and the relevant Seller(s), direct that some higher (but not lower) transfer price shall apply to any or all Sale Shares which would otherwise be subject to clause 12 4
- 12 6 The Departing Employee Shareholder's Shares shall be offered in the following order of priority
- 12 6 1 to the Founder,
- 12 6 2 to a person (or persons) as agreed by Majority Holder to take the Departing Employee Shareholder's place, conditionally on that person commencing their employment with the Company,
- 12 6 3 to the Minority Holder,
- 12 6 4 to any other person (or persons) who are approved by the Board, and then
- 12 6 5 subject to the Act, to the Company
- 12 7 For the purpose of ensuring that a particular transfer of any share or shares is permitted under the provisions of these Articles or that no circumstances have arisen whereby a Transfer Notice is required to be given or is to be deemed to have been given in respect of any such share the Board may from time to time require any member or the personal representative of any deceased member or any person named as transferee in any transfer of any share lodged for registration to furnish the Company with such information and evidence as the Board may think necessary or relevant Failing such information or evidence being furnished to the reasonable satisfaction of the Board within a reasonable time the Board shall be entitled to refuse to

register the transfer in question or to require by notice in writing that a Transfer Notice be given in respect of the shares concerned. If such information or evidence discloses that a Transfer Notice ought to have been given in respect of any such shares the Board may by notice in writing require that a Transfer Notice be given in respect of the shares concerned.

- 12.8 In any case where a Transfer Notice has been duly required to be given in respect of any shares and such Transfer Notice is not duly given within a period of 14 days or such longer period as the Board may allow for this purpose such Transfer Notice shall be deemed to have been given on the expiry of such period.

### 13 GENERAL PROVISIONS RELATING TO TRANSFER OF SHARES

- 13.1 Except where otherwise expressly provided the provisions of Articles 10 and 11 shall apply to Transfer Notices which are deemed to have been given (whether under the provisions of Article 12 or the provisions of any other agreement) in the same way as they apply to actual Transfer Notices and accordingly all references in these Articles to the giving of a Transfer Notice shall be treated as including references to Transfer Notices which are deemed to have been given and references to a Transferor shall include a person deemed to have given a Transfer Notice. For the avoidance of doubt a deemed Transfer Notice shall not be treated as including a Total Sale Condition and the provisions of Article 10.7 (as to withdrawal of Transfer Notices) shall not apply to a deemed Transfer Notice.

- 13.2 The requirement in Article 10.6 to give or send copies of a Transfer Notice shall in the case of a deemed Transfer Notice be treated as complied with by sending a notice of the facts arising in connection with that deemed Transfer Notice. A Transfer Notice which is deemed to have been given shall be treated as having been received by the Board on the date on which it is deemed to have been given and as if it bore that date.

- 13.3 Without prejudice to its other powers contained in Articles 9 to 13 the Board shall be entitled in its absolute discretion to refuse to register any transfer of shares on which the Company has a lien. The Board shall refuse to register any transfer of shares which is not permitted by Articles 9 to 12. It may also refuse to register a transfer unless

13.3.1 it is lodged at the registered office or at such other place as the Board may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the Transferor to make the transfer,

13.3.2 it is in respect of only one class of shares,

13.3.3 it is in favour of not more than four transferees, and

13.3.4 the transferee(s) is an adult.

Subject thereto the Board shall register any transfer made pursuant to Articles 9 to 12.

- 13.4 Paragraph (5) of Article 26 of the Model Articles shall not apply to the Company.

14 **DRAG ALONG PROVISIONS**

14 1 If the Majority Holder (in this Article referred to as the "Seller") gives notice to the holders of all the other shares in the Company (hereinafter called the "Other Shareholders") that the Seller has procured an independent third party (which for this purpose shall mean a person who is not an associated company of the Company, or a member of the Company, or an associate of any member of the Company) to make a *bona fide* offer (hereinafter called "the Third Party Offer") in writing (which shall be open for acceptance for at least 21 days) to each of the members of the Company (including the Seller) to acquire all of the issued share capital of the Company not already held by the third party on terms

14 1 1 that the consideration for the sale of the said shares shall be allocated as provided in Article 14 3,

14 1 2 which do not contain provision for any payment to any member other than in respect of the shares held by such member (but disregarding any *bona fide* payments to be made for the services of the member under any contract of employment or contract for services), and

14 1 3 which (subject to Article 14 4) are otherwise the same (or as nearly as possible on the same terms) for each member

then the following provisions shall apply so as to override the provisions of Articles 9 to 13

14 2 If the Third Party Offer shall be accepted by the Seller (whether or not conditionally upon acceptance by the Other Shareholders) the Other Shareholders shall also accept the Third Party Offer and shall take all such action as may be necessary to transfer all their respective shares in the capital of the Company in accordance therewith (but subject as provided in Article 14 4)

If the Third Party Offer shall not have been so accepted by any one or more of the Other Shareholders within the period during which it is open for acceptance (or having been accepted shall not have been fully and duly implemented at the time for completion) any person or persons nominated by the Seller shall be treated as having been hereby authorised as the attorneys of each of the Other Shareholders to accept the Third Party Offer on their behalf and to execute such agreements, deeds and other documents (including in particular (but subject as provided in Article 14 4) warranties, covenants and indemnities in respect of the sale, and stock transfer forms) on their behalf as may be necessary or convenient to give effect to the sale hereinbefore referred to

The Other Shareholders shall not be obliged to transfer their shares in the Company pursuant to the Third Party Offer unless the Seller does likewise. The provisions of Article 10 as regards the giving of Transfer Notices shall not apply to any such transfers pursuant to this Article 14

14 3 The aggregate amount of the value of the consideration receivable by the members of the Company under the Third Party Offer (regardless of whether it is payable on completion or deferred or subject to a retention) shall be allocated in proportion as if assets of the Company were being distributed on a return of capital in accordance with Article 7. For this purpose

- 14 3 1 any consideration in the form of shares or other instrument which are traded on any recognised stock exchange shall be valued on the basis of the average of the middle market quotations for such share or other instrument for the 10 business days prior to the date on which such share or instrument is to be issued or transferred under such offer,
  - 14 3 2 any consideration in the form of shares or other instrument which is not so quoted shall be valued by the Auditors acting as experts and not as arbitrators and whose decision shall be final and binding and in the event that the Auditors for any reason are unwilling or unable to act for this purpose the valuation shall be earned out by an independent chartered accountant agreed upon by all the members of the Company or in default to be selected by the President or other proper officer for the time being of the Institute of Chartered Accountants in England and Wales on the application of the Company or of any member at any time,
  - 14 3 3 any consideration which is payable partly in cash and partly in some other way, or partly on completion and partly at some later date shall be allocated between the members *pro rata* to their respective entitlements to share in the aggregate value of the consideration
- 14 4 Notwithstanding the foregoing provisions of this Article 14
- 14 4 1 no member shall be obliged to enter into restrictive covenants,
  - 14 4 2 no member shall be obliged to give representations or warranties or any indemnity (other than any warranty that he is able to convey or procure to be conveyed legal and beneficial ownership of the shares to be sold by him with full title guarantee),
  - 14 4 3 in considering whether terms offered to any member are the same as those offered to any other there shall be disregarded all questions relating to *bona fide* employment terms or the *bona fide* terms on which the services of any member are otherwise made available, and
  - 14 4 4 in considering whether terms offered to any member are the same as those offered to any other there shall be disregarded any obligation which any member (whether or not the Seller) voluntarily incurs or agrees to accept to the extent that it does not apply to all the members or to the extent that it is more onerous than obligations applying to other members
- 15 **TAG ALONG**
- 15 1 If the Majority Holder proposes to sell all of the shares held by it in the Company then the Majority Holder shall give at least 21 days' notice of such proposed sale (a "Tag Along Notice") to the holders of all the other shares in the Company (hereinafter called the "Other Shareholders") The Tag Along Notice shall specify
- 15 1 1 the identity of the proposed purchaser (the "Buyer"),
  - 15 1 2 the price per share that the Buyer proposes to pay, and

- 15 1 3 the manner in which the consideration is to be paid
- 15 2 Each of the Other Shareholders shall, within 14 days following receipt of the Tag Along Notice, notify the Majority Holder whether it wishes to sell all or a certain number of shares held by it at the proposed sale price. Such notification shall be made by delivering a written counter-notice to the Majority Holder which shall specify the number of shares that the Other Shareholder wishes to sell, up to the maximum number of shares held by that Other Shareholder.
- 15 3 An Other Shareholder who does not send a counter-notice within the 14 day period shall be deemed to have specified that they do not want to sell any shares.
- 15 4 After the expiry of 14 days from the date that the Other Shareholders receive the Tag Along Notice, the Majority Holder shall be entitled to sell his shares to the Buyer (on the terms notified to the Other Shareholders) provided that, at the same time, the Majority Holder procures that the Buyer (or another person) buys from the Other Shareholders the number of shares that they have respectively indicated they wish to sell on terms no less favourable than those obtained by the Majority Holder from the Buyer.
- 15 5 The provisions of Article 10 as regards the giving of Transfer Notices shall not apply to any such transfers pursuant to this Article 15.

## **16 PROCEEDINGS AT GENERAL MEETINGS**

- 16 1 Notice of every general meeting shall be given in any manner authorised in these Articles to
- 16 1 1 every member who is entitled to receive it under the terms of these Articles,
- 16 1 2 every person upon whom the ownership of a share devolves by reason of his being a legal personal representative or a trustee in bankruptcy of a member where the member but for his death or bankruptcy would be entitled to receive notice of the meeting,
- 16 1 3 the Auditors, and
- 16 1 4 each of the directors of the Company and their alternates.

No other person shall be entitled to receive notices of general meetings.

- 16 2 It shall not be necessary to give notice of general meetings to any member of the Company who has not consented to documents and information being sent by the Company in electronic form (as permitted by sections 1143 and 1144 of the Act) and who has not provided a postal address in the United Kingdom or who has consented or deemed to have consented to electronic communication by the Company but has not provided the Company with a valid email address.
- 16 3 If a quorum is not present within half an hour from the time appointed for any general meeting or if during any such meeting a quorum ceases to be present (other than by reason of the temporary absence of any person or persons) the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the

time appointed for the meeting the members present shall constitute a quorum Articles 41(1), (4) and (5) of the Model Articles shall not apply

16 4 Notwithstanding anything in these Articles or in the Model Articles, if and for so long as there shall be a single member of the Company the quorum shall be one member present in person or by proxy or, in the case of a corporation, by representative

16 5 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman, any director or by any member present in person or by proxy and entitled to a vote Article 44 of the Model Articles shall be modified accordingly

16 6 Unless a poll be so demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution The demand for a poll may be withdrawn

## 17 **RECORDS**

17 1 Article 50 of the Model Articles shall apply to the Company

## 18 **INVALIDITY**

18 1 The invalidity or unenforceability for any reason of any provision of these Articles shall not affect the validity of the remainder of these Articles which shall continue in full force and effect