

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

CHELSEA APPS FACTORY LIMITED ('Company')

(Company Number: 07263921)

Circulation Date: 27.6.14 **2014**

Passed: 27 6 .14 **2014**

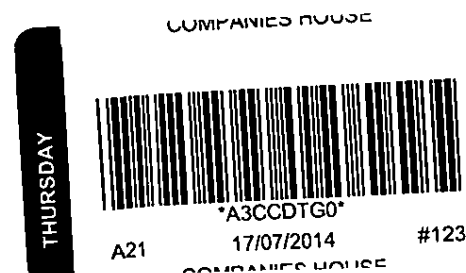
Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 the directors of the Company propose that the resolutions numbered 1 and 2 are passed as ordinary resolutions and that the resolution numbered 3 is passed as a special resolution (the **Resolutions**)

ORDINARY RESOLUTIONS

- 1 THAT, the 1330 A Ordinary Shares of £1 each in the issued share capital of the Company be sub-divided into 133,000 A Ordinary Shares of £0 01 each, such shares having the same rights and being subject to the same restrictions (save as to nominal value) as the existing A Ordinary Shares of £1 00 each in the capital of the Company
- 2 THAT, the 70 B Ordinary Shares of £1 each in the issued share capital of the Company be sub-divided into 7,000 B Ordinary Shares of £0 01 each, such shares having the same rights and being subject to the same restrictions (save as to nominal value) as the existing B Ordinary Shares of £1 00 each in the capital of the Company

SPECIAL RESOLUTION

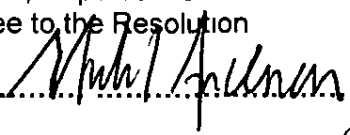
- 3 THAT the draft articles of association in the form attached be adopted as the articles of association of the Company in substitution for, and to the exclusion of, all existing articles of association of the Company



AGREEMENT

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

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

Signature: 

MICHAEL ANDERSON

1106 shares

Dated: 27 JUNE 2014

Signature:

MICHAEL ALTENDORF

Dated:

Signature:

MELVILLE CARRIE

Dated:

Signature:

SIMON DYSON

Dated:

Signature:

JOSHUA HART

Dated:

AGREEMENT

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

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

Signature:

MICHAEL ANDERSON

Dated:

Signature: 

MICHAEL ALTENDORF

56 shares

Dated: 

Signature:

MELVILLE CARRIE

Dated:

Signature:

SIMON DYSON

Dated:

Signature:

JOSHUA HART

Dated:

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION OF

CHELSEA APPS FACTORY LIMITED

(ADOPTED BY SPECIAL RESOLUTION ON 27 June 2014)

1 PRELIMINARY

- 1.1 The model articles of association for private companies limited by shares contained in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008 No 3229) (the "Model Articles") shall apply to the Company save in so far as they are excluded or modified hereby and such Model Articles and the articles set out below shall be the Articles of Association of the Company (the "Articles")
- 1.2 In these Articles, any reference to a provision of the Companies Act 2006 shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.
- 1.3 Model Articles 9(2), 14, 17, 18(d) and (e), 19(5), 21, 24, 26(5), 28(3) and 44(4) do not apply to the Company
- 1.4 The headings used in these Articles are included for the sake of convenience only and shall be ignored in construing the language or meaning of these Articles
- 1.5 In these Articles, unless the context otherwise requires, references to nouns in the plural form shall be deemed to include the singular and vice versa

2 DEFINED TERMS

- 2.1 Model Article 1 shall be varied by the inclusion of the following definitions

"Acceptance Notice" means the notice given by the Board to the Seller which specifies the number of Sale Shares to be transferred, the Sale Price, the names of the Transferees, the time (not being earlier than 5 Business Days nor later than 20 Business Days after the end of the Acceptance Period) and the place at which the sale is to be completed,

"Acceptance Period" means the period of 20 Business Days after the issue by the Company of an Offer Notice,

"acting in concert" has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time),

"A Shares" mean the A shares of £0.01 in the capital of the Company;

"A Shareholder" means a holder of A Shares from time to time,

"appointor" has the meaning given in Article 8 1,

"Auditors" means the auditors of the Company from time to time or, if the said auditors shall be unable or unwilling to act in connection with the reference in question, a firm of chartered accountants nominated by the President from time to time of the Institute of Chartered Accountants in England and Wales upon the application at any time of the Company

"Auditors' Certificate" means a certificate issued by the Auditors (acting as an expert) specifying the Sale Price which shall be a fair value of the Sale Shares:

- (i) at the date of the Offer Notice,
- (ii) as between a willing seller and a willing buyer contracting on arm's length terms,
- (iii) having regard to the fair value of the Business (excluding its goodwill) as a going concern; and
- (iv) discounted to the par value of the Sale Shares where the Seller is a Bad Leaver.

"B Shares" mean the B shares of £0.01 in the capital of the Company,

"B Shareholder" means a holder of B Shares from time to time,

"Bad Leaver" an employee, director or consultant of the Company who leaves his employment or office with the Company or ceases to provide services to the Company, other than as a Good Leaver, including, but not limited to:

- (i) being dismissed after committing a material breach of any of the provisions of his service agreement, contract of employment or contract for services (as the case may be); or
- (ii) having committed any action of fraud or dishonesty in relation to the business of the Company, or
- (iii) being otherwise summarily dismissed in accordance with his service agreement, contract of employment, consultancy agreement or contract for services, in each case, where there is no liability to pay him any compensation whatsoever associated with the dismissal

"C Shares" mean the C shares of £0.01 in the capital of the Company,

"C Shareholder" means a holder of C Shares from time to time,

"call" has the meaning given in Article 13 1,

"call notice" has the meaning given in Article 13 1,

"call payment date" has the meaning given in Article 13 4,

"controlling interest" means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010

"forfeiture notice" has the meaning given in Article 13 4,

"Good Leaver" means an employee, director or consultant of the Company

- (i) who dies or who retires at the Company's agreed retirement age (where applicable), or
- (ii) is classified as a good leaver by the Company, at its discretion

"lien enforcement notice" has the meaning given in Article 12 4,

"Offer Notice" means an offer notice as defined in Article 26 8,

"Original Shareholder" means Michael Graham Anderson;

"Relevant Event" means any one or more of the following:

- (i) a direction (by way of renunciation, nomination or otherwise) by an A Shareholder or C Shareholder entitled to an allotment or transfer of A Shares or C Shares (as applicable) to the effect that all or any of the A Share or C Shares (as applicable) be allotted, issued or transferred to some person other than himself unless such transfer is a permitted one under the terms hereof,
- (ii) a sale or other disposition of any beneficial interest in an A Share or C Share (whether or not for consideration) by an A Shareholder or C Shareholder (as applicable) otherwise than in accordance with these Articles and whether or not made in writing,
- (iii) the death or bankruptcy of an A Shareholder or C Shareholder;
- (iv) an employee, officer or consultant who is an A Shareholder or C Shareholder ceasing to be employed by or hold office in the Company or ceasing to provide services to the Company for any reason.

"relevant rate" has the meaning given in Article 13 4,

"Sale Price" means the price for the Sale Shares as set out in the Auditors' Certificate,

"Sale Shares" means the shares specified in the Transfer Notice,

"secretary" means the secretary of the Company, if any, appointed in accordance with Article 7, or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary, and

"Transfer Notice" means a notice from an A Shareholder or C Shareholder specifying the number of A Share or C Shares (as applicable) held by him which he is required to transfer and requesting that the Auditors be instructed to prepare an Auditors'

Certificate to determine the price per A Share or C Share (as applicable) to be paid on the transfer,

"Transferees" means such A Shareholders who successfully apply for Sale Shares pursuant to an Offer Notice;

"working day" means a day that is not a Saturday or Sunday, Christmas Day, Good Friday or any day that is a bank holiday under the Banking and Financial Dealings Act 1971 in the part of the United Kingdom where the Company is registered

3 PROCEEDINGS OF DIRECTORS

3 1 Subject to Article 3 2, notwithstanding the fact that a proposed decision of the directors concerns or relates to any matter in which a director has, or may have, directly or indirectly, any kind of interest whatsoever, that director may participate in the decision-making process for both quorum and voting purposes

3 2 If the directors propose to exercise their power under section 175(4)(b) of the Companies Act 2006 to authorise a director's conflict of interest, the director facing the conflict is not to be counted as participating in the decision to authorise the conflict for quorum or voting purposes

3 3 Subject to the provisions of the Companies Act 2006, and provided that (if required to do so by the said Act) he has declared to the directors the nature and extent of any direct or indirect interest of his, a director, notwithstanding his office

(a) may be a party to or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested,

(b) may be a director or other officer or an employee of, or a party to any transaction or arrangement with, or otherwise interested in, any subsidiary of the Company or body corporate in which the Company is interested, and

(c) is not accountable to the Company for any remuneration or other benefits which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no transaction or arrangement is liable to be avoided on the ground of any such remuneration, benefit or interest

4 UNANIMOUS DECISIONS

Model Article 8(2) shall be amended by the deletion of the words "copies of which have been signed by each eligible director" and the substitution of the following "where each eligible director has signed one or more copies of it" in its place Model Article 8(2) shall be read accordingly

5. APPOINTMENT OF DIRECTORS

5.1 The holder(s) of the A Shares may appoint such number of directors as is necessary to maintain a at least a simple majority of directors of the Company and remove such directors by written notice to the Company The appointment or removal takes effect

on the date on which the notice is received by the Company or, if a later date is given in the notice, on that date. The holder(s) of the A Share(s) shall indemnify and keep indemnified the Company against any claim connected with such a director's removal from office.

5.2 For so long as the holder of the B Shares or their affiliates are owed money by the Company, the holder of the B Shares or their affiliates may appoint one director of the Company (the "B Director") and remove such director by written notice to the Company. Within 5 days of receiving full and final payment of any money due from the Company, the holder of the B Shares shall remove the B Director by providing written notice to the Company. The appointment or removal takes effect on the date on which the notice is received by the Company or, if a later date is given in the notice, on that date. The B Director shall receive remuneration from the Company of £1500 per month.

5.3 The number of directors shall not be less than two and there shall be no maximum number of directors.

6. TERMINATION OF DIRECTOR'S APPOINTMENT

6.1 In addition to the events terminating a director's appointment set out in Model Articles 18(a) to (c) inclusive and (f), a person ceases to be a director as soon as:

- (a) that person is, or may be, suffering from mental disorder and either:
 - (i) he is admitted to hospital in pursuance of an application for admission for treatment under mental health legislation for the time being in force in any part of the United Kingdom, or
 - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or which wholly or partly prevents that person from personally exercising any powers or rights which that person otherwise would have, or
- (b) that person has for more than six consecutive months been absent without permission of the directors from meetings of directors held during that period and the directors make a decision to vacate that person's office.

7. SECRETARY

The directors may appoint a secretary to the Company for such period, for such remuneration and upon such conditions as they think fit, and any secretary so appointed by the directors may be removed by them.

8. ALTERNATE DIRECTORS

8.1

- (a) Any director (the "appointor") may appoint as an alternate any other director, or any other person approved by a decision of the directors, to -

- (i) exercise that director's powers, and
- (ii) carry out that director's responsibilities,

in relation to the taking of decisions by the directors in the absence of the alternate's appointor

- (b) 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. The notice must:-

- (i) identify the proposed alternate, and
- (ii) in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of his appointor

8 2

- (a) An alternate director has the same rights to participate in any directors' meeting or decision of the directors reached in accordance with Model Article 8, as the alternate's appointor

- (b) Except as these Articles specify otherwise, alternate directors.-

- (i) are deemed for all purposes to be directors,
- (ii) are liable for their own acts or omissions,
- (iii) are subject to the same restrictions as their appointors; and
- (iv) are not deemed to be agents of or for their appointors

- (c) A person who is an alternate director but not a director -

- (i) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating), and
- (ii) may sign or otherwise signify his agreement in writing to a written resolution in accordance with Model Article 8 (but only if that person's appointor has not signed or otherwise signified his agreement to such written resolution)

No alternate may be counted as more than one director for such purposes

- (d) An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the remuneration payable to that alternate's appointor as the appointor may direct by notice in writing made to the Company.

- (e) Model Article 20 is modified by the deletion of each of the references to "directors" and the replacement of each such reference with "directors and/or any alternate directors"

8.3 An alternate director's appointment as an alternate terminates:-

- (a) when his 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 office as director,
- (c) on the death of his appointor, or
- (d) when his appointor's appointment as a director terminates

9. SHARE CAPITAL

9.1 Unless the context requires otherwise, references in these articles to shares of a particular class shall include shares created or issued after the date of adoption of these Articles and ranking *pari passu* in all respects (or in all respects except only as to the date from which those shares rank for dividends) with the shares of the relevant class then in issue

9.2 Except as provided in the articles, the A Shares, the B Shares and the C Shares shall rank *pari passu* in all respects but shall constitute different classes of shares

9.3 The respective rights attaching to the A Shares, the B Shares and the C Shares shall be as follows

- (a) as regards income the B Shares shall be entitled to 5% of any profits determined to be distributed in any year, and the A Shares to the balance. The holders of the C Shares shall have no right to a dividend,
- (b) as regards capital. on a return of assets on liquidation, reduction of capital or otherwise, the holders of the A Shares, the B Shares and the C Shares shall be entitled to repayment of the nominal capital paid up on such shares on an equal basis. Any surplus assets of the Company available for distribution among members of the Company shall be distributed to the holders of A Shares and B Shares such that the B Shares shall receive 5% of the surplus and the A Shares the balance, and
- (c) as regards voting the B Shares shall confer on the holder or holders thereof a total vote on a poll of 5% of the total issued capital, and the A Shares shall represent 95% of the votes on a poll. The C Shares shall not entitle the holders to receive notice of or attend or vote at any general meeting of the Company

10. POWERS TO ISSUE DIFFERENT CLASSES OF SHARE

- 10 1 The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company on such terms and in such manner as the Company before the issue of the shares may by special resolution determine
- 10 2 If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied 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 general meeting of the holders of the shares of the class
- 10 3 To every such separate general meeting the provisions of these articles relating to general meetings shall apply, but so that the necessary quorum shall be one person at least holding or representing by proxy one-third of the issued shares of each class
- 10.4 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation of issue of further shares ranking *pari passu* therewith.

11. ISSUE OF SHARES

- 11.1 Shares may be issued as nil, partly or fully paid.
- 11 2 Unless otherwise agreed by special resolution, all shares which the directors propose to issue must first be offered to the members in accordance with the following provisions of this Article
- 11 3 Shares of a particular class must be offered to members of that class of shares in proportion as nearly as may be to the number of existing shares in that class held by them respectively
- 11 4 The offer shall be made by notice specifying the number of shares offered, and limiting a period (not being less than 14 days) within which the offer, if not accepted, will be deemed to be declined
- 11 5 After the expiration of the period referred to in 11 4 above, those shares so deemed to be declined shall be offered in the proportion aforesaid to the persons who have, within the said period, accepted all the shares offered to them; and such further offer shall be made in the like terms in the same manner and limited by a like period as the original offer.
- 11 6 Any shares not accepted pursuant to the offer referred to in 11 4 and the further offer referred to in 11 5 or not capable of being offered as aforesaid except by way of fractions and any shares released from the provisions of this Article by any such special resolution as aforesaid shall be under the control of the directors, who may allot, grant options over or dispose of the same to such persons, on such terms, and in such manner as they think fit

11 7 In accordance with section 567 of the Companies Act 2006, sections 561 and 562 of the said Act are excluded.

12. LIEN

12 1 The Company has a first and paramount lien on all shares (whether or not such shares are fully paid) standing registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder thereof or is one of two or more joint holders, for all moneys payable by him or his estate to the Company (whether or not such moneys are presently due and payable)

12.2 The Company's lien over shares -

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

12.3 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

12 4

- (a) Subject to the provisions of this Article, if:-
 - (i) a notice of the Company's intention to enforce the lien ("lien enforcement notice") has been sent in respect of the shares, and
 - (ii) the person to whom the lien enforcement notice was sent has failed to comply with it,the Company may sell those shares in such manner as the directors decide
- (b) A lien enforcement notice -
 - (i) may only be sent in respect of shares if a sum is payable to the Company by the sole registered holder or one of two or more joint registered holders of such shares and the due date for payment of such sum has passed,
 - (ii) must specify the shares concerned,
 - (iii) must include a demand for payment of the sum payable within 14 days,
 - (iv) must be addressed either to the holder of such shares or to a person entitled to such shares by reason of the holder's death, bankruptcy or otherwise; and
 - (v) must state the Company's intention to sell the shares if the notice is not complied with

- (c) If shares are sold under this Article -
 - (i) the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and
 - (ii) 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
- (d) 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 -
 - (i) 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
 - (ii) second, in payment 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 a suitable indemnity has been given for any lost certificates, and subject to a lien equivalent to the company's lien over the shares before the sale for any money payable in respect of the shares after the date of the lien enforcement notice
- (e) A statutory declaration by a director or the secretary that the declarant is a director or the secretary and that a share has been sold to satisfy the Company's lien on a specified date -
 - (i) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
 - (ii) subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the share

13. CALLS ON SHARES AND FORFEITURE

13 1

- (a) Subject to these Articles and the terms on which shares are allotted, the directors may send a notice (a "call notice") to a member requiring the member to pay the Company a specified sum of money (a "call") which is payable in respect of shares which that member holds at the date when the directors decide to send the call notice
- (b) A call notice -
 - (i) may not require a member to pay a call which exceeds the total sum unpaid on that member's shares (whether as to the share's nominal value or any amount payable to the Company by way of premium),

- (ii) must state when and how any call to which it relates is to be paid, and
 - (iii) may permit or require the call to be paid by instalments
- (c) A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the call notice was sent
- (d) Before the Company has received any call due under a call notice the directors may -
 - (i) revoke it wholly or in part, or
 - (ii) specify a later time for payment than is specified in the call notice,
 by a further notice in writing to the member in respect of whose shares the call was made

13.2

- (a) Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which the call is required to be paid
- (b) Joint holders of a share are jointly and severally liable to pay all calls in respect of that share
- (c) Subject to the terms on which shares are allotted, the directors may, when issuing shares, make arrangements for a difference between the holders in the amounts and times of payment of calls on their shares

13.3

- (a) A call notice need not be issued in respect of sums which are specified, in the terms on which a share is allotted, as being payable to the Company in respect of that share (whether in respect of nominal value or premium):-
 - (i) on allotment,
 - (ii) on the occurrence of a particular event, or
 - (iii) on a date fixed by or in accordance with the terms of issue
- (b) 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

13.4

- (a) If a person is liable to pay a call and fails to do so by the call payment date:-

- (i) the directors may send a notice of forfeiture (a "forfeiture notice") to that person, and
 - (ii) until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate
- (b) For the purposes of this Article -
- (i) the "call payment date" is the date on which 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
 - (ii) the "relevant rate" is the rate fixed by the terms on which the share in respect of which the call is due was allotted or, if no such rate was fixed when the share was allotted, five percent per annum
- (c) The relevant rate must not exceed by more than five 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
- (d) The directors may waive any obligation to pay interest on a call wholly or in part

13.5 A forfeiture notice -

- (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 to a person entitled to it by reason of the holder's death, bankruptcy or otherwise,
- (c) must require payment of a call and any accrued interest by a date which is not less than 14 days after the date of the forfeiture notice;
- (d) must state how the payment is to be made, and
- (e) must state that if the forfeiture notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited.

13.6 If a forfeiture notice is not complied with before the date by which payment of the call is required in the forfeiture notice, 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

13.7

- (a) Subject to the following provisions of this Article 13.7, the forfeiture of a share extinguishes:-

- (i) all interests in that share, and all claims and demands against the Company in respect of it, and
 - (ii) all other rights and liabilities incidental to the share as between the person in whose name the share is registered and the Company
- (b) Any share which is forfeited -
 - (i) is deemed to have been forfeited when the directors decide that it is forfeited;
 - (ii) is deemed to be the property of the Company, and
 - (iii) may be sold, re-allotted or otherwise disposed of as the directors think fit
- (c) If a person's shares have been forfeited:-
 - (i) the Company must send that person notice that forfeiture has occurred and record it in the register of members,
 - (ii) that person ceases to be a member in respect of those shares;
 - (iii) that person must surrender the certificate for the shares forfeited to the Company for cancellation;
 - (iv) that person remains liable to the Company for all sums due and payable by that person at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture); and
 - (v) 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.
- (d) At any time before the Company disposes of a forfeited share, the directors may decide to cancel the forfeiture on such terms as they think fit

13.8

- (a) 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.
- (b) A statutory declaration by a director or the secretary that the declarant is a director or the secretary and that a share has been forfeited on a specified date -
 - (i) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and

- (ii) subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the share
- (c) 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
- (d) 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:-
 - (i) was, or would have become, payable; and
 - (ii) 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

13.9

- (a) A member may surrender any share.-
 - (i) in respect of which the directors may issue a forfeiture notice;
 - (ii) which the directors may forfeit, or
 - (iii) which has been forfeited
- (b) The directors may accept the surrender of any such share
- (c) The effect of surrender on a share is the same as the effect of forfeiture on that share
- (d) A share which has been surrendered may be dealt with in the same way as a share which has been forfeited

14. SHARE CERTIFICATES

14.1

- (a) The Company must issue each member with one or more certificates in respect of the shares which that member holds.
- (b) Except as is otherwise provided in these Articles, all certificates must be issued free of charge
- (c) No certificate may be issued in respect of shares of more than one class
- (d) A member may request the Company, in writing, to replace -

- (i) the member's separate certificates with a consolidated certificate, or
 - (ii) the member's consolidated certificate with two or more separate certificates
- (e) When the Company complies with a request made by a member under (d) above, it may charge a reasonable fee as the directors decide for doing so

14 2

- (a) Every certificate must specify -
- (i) in respect of how many shares, of what class, it is issued,
 - (ii) the nominal value of those shares,
 - (iii) the amount paid up on those shares, and
 - (iv) any distinguishing numbers assigned to them.
- (b) Certificates must:-
- (i) have affixed to them the Company's common seal; or
 - (ii) be otherwise executed in accordance with the Companies Acts

15. CONSOLIDATION OF SHARES

15 1

- (a) This Article applies in circumstances where -
- (i) there has been a consolidation of shares, and
 - (ii) as a result, members are entitled to fractions of shares
- (b) The directors may -
- (i) sell the shares representing the fractions to any person including the Company for the best price reasonably obtainable, and
 - (ii) authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser.
- (c) Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the directors, that member's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland
- (d) A person to whom shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.

- (e) The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale.

16. DIVIDENDS

16 1

- (a) Except as otherwise provided by these Articles or the rights attached to the shares, all dividends must be -
 - (i) declared and paid according to the amounts paid up on the shares on which the dividend is paid, and
 - (ii) apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.
- (b) If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly
- (c) For the purpose of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount

17. CAPITALISATION OF PROFITS

- 17 1** In Model Article 36(4) after "A capitalised sum which was appropriated from profits available for distribution may be applied" insert the following

"_

- (a) in or towards paying up any amounts unpaid on any existing nil or partly paid shares held by the persons entitled; or
- (b) ",

and Model Article 36(4) is modified accordingly

- 17 2** Model Article 36(5)(a) is modified by the deletion of the words "paragraphs (3) and (4)" and their replacement with "Model Article 36(3) and Article 17.1".

18. WRITTEN RESOLUTIONS OF MEMBERS

18 1

- (a) Subject to Article 18.1 (b), a written resolution of members passed in accordance with Part 13 of the Companies Act 2006 is as valid and effectual as a resolution passed at a general meeting of the Company
- (b) The following may not be passed as a written resolution and may only be passed at a general meeting -

- (i) a resolution under section 168 of the Companies Act 2006 for the removal of a director before the expiration of his period of office, and
- (ii) a resolution under section 510 of the Companies Act 2006 for the removal of an auditor before the expiration of his period of office

18 2

- (a) Subject to Article 15 2(b), on a written resolution, a member has one vote in respect of each share held by him
- (b) No member may vote on a written resolution unless all moneys currently due and payable in respect of any shares held by him have been paid

19. NOTICE OF GENERAL MEETINGS

19.1

- (a) Every notice convening a general meeting of the Company must comply with the provisions of -
 - (i) section 311 of the Companies Act 2006 as to the provision of information regarding the time, date and place of the meeting and the general nature of the business to be dealt with at the meeting, and
 - (ii) section 325(1) of the Companies Act 2006 as to the giving of information to members regarding their right to appoint proxies
- (b) Every notice of, or other communication relating to, any general meeting which any member is entitled to receive must be sent to each of the directors and to the auditors (if any) for the time being of the Company

20. QUORUM AT GENERAL MEETINGS

20 1

- (a) If and for so long as the Company has one member only, one member entitled to vote on the business to be transacted, who is present at a general meeting in person or by one or more proxies or, in the event that the member is a corporation, by one or more corporate representatives, is a quorum
- (b) If and for so long as the Company has two or more members, two members, each of whom is entitled to vote on the business to be transacted and is present at a general meeting in person or by one or more proxies or, in the event that any member present is a corporation, by one or more corporate representatives, are a quorum
- (c) Model Article 41(1) is modified by the addition of a second sentence as follows -

"If, at the adjourned general meeting, a quorum is not present within half an hour from the time appointed therefor or, alternatively, a quorum ceases to be present, the adjourned meeting shall be dissolved ".

21. VOTING AT GENERAL MEETINGS

21 1

- (a) Subject to Article 21 2 below, on a vote on a resolution at a general meeting on a show of hands.-
 - (i) each member who, being an individual, is present in person has one vote;
 - (ii) if a member (whether such member is an individual or a corporation) appoints one or more proxies to attend the meeting, all proxies so appointed and in attendance at the meeting have, collectively, one vote; and
 - (iii) if a corporate member appoints one or more persons to represent it at the meeting, each person so appointed and in attendance at the meeting has, subject to section 323(4) of the Companies Act 2006, one vote
- (b) Subject to Article 21.2 below, on a resolution at a general meeting on a poll, every member (whether present in person, by proxy or authorised representative) has one vote in respect of each share held by him.

21 2 No member may vote at any general meeting or any separate meeting of the holders of any class of shares in the Company, either in person, by proxy or, in the event that the member is a corporation, by corporate representative in respect of shares held by that member unless all moneys currently due and payable by that member in respect of any shares held by that member have been paid

21 3

- (a) Model Article 44(2) is amended by the deletion of the word "or" in Model Article 44(2)(c), the deletion of the " " after the word "resolution" in Model Article 44(2)(d) and its replacement with ", or" and the insertion of a new Model Article 44(2)(e) in the following terms -

"by a member or members holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right".

- (b) A demand for a poll made by a person as proxy for a member is the same as a demand made by the member

21 4 Polls must be taken at the general meeting at which they are demanded and in such manner as the chairman directs

22. DELIVERY OF PROXY NOTICES

- 22 1 Model Article 45(1) is modified, such that a "proxy notice" (as defined in Model Article 45(1)) and any authentication of it demanded by the directors must be received at an address specified by the Company in the proxy notice not less than 48 hours before the time for holding the meeting or adjourned meeting at which the proxy appointed pursuant to the proxy notice proposes to vote, and any proxy notice received at such address less than 48 hours before the time for holding the meeting or adjourned meeting shall be invalid.

23. COMMUNICATIONS

- 23 1 Subject to the provisions of the Companies Act 2006, a document or information may be sent or supplied by the Company to a person by being made available on a website

23 2

- (a) A member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be sent to him or an address to which notices may be sent by electronic means is entitled to have notices sent to him at that address, but otherwise no such member is entitled to receive any notices from the Company.
- (b) If any share is registered in the name of joint holders, the Company may send notices and all other documents to the joint holder whose name stands first in the register of members in respect of the joint holding and the Company is not required to serve notices or other documents on any of the other joint holders.

23 3

- (a) If the Company sends or supplies notices or other documents by first class post and the Company proves that such notices or other documents were properly addressed, prepaid and posted, the intended recipient is deemed to have received such notices or other documents 48 hours after posting
- (b) If the Company sends or supplies notices or other documents by electronic means and the Company proves that such notices or other documents were properly addressed, the intended recipient is deemed to have received such notices or other documents 24 hours after they were sent or supplied
- (c) If the Company sends or supplies notices or other documents by means of a website, the intended recipient is deemed to have received such notices or other documents when such notices or other documents first appeared on the website or, if later, when the intended recipient first received notice of the fact that such notices or other documents were available on the website
- (d) For the purposes of this Article 23 3, no account shall be taken of any part of a day that is not a working day

24. COMPANY SEALS

24 1 Model Article 49(1) is modified, such that any common seal of the Company may be used by the authority of the directors or any committee of directors

24 2 Model Article 49(3) is modified by the deletion of all words which follow the "." after the word "document" and their replacement with "the document must also be signed by:-

(a) one authorised person in the presence of a witness who attests the signature;
or

(b) two authorised persons"

25. TRANSMISSION OF SHARES

25 1 Model Article 27 is modified by the addition of new Model Article 27(4) in the following terms -

"Nothing in these Articles releases the estate of a deceased member from any liability in respect of a share solely or jointly held by that member "

25 2 All the Articles relating to the transfer of shares apply to -

(a) any notice in writing given to the Company by a transmittee in accordance with Model Article 28(1), and

(b) any instrument of transfer executed by a transmittee in accordance with Model Article 28(2),

as if such notice or instrument were an instrument of transfer executed by the person from whom the transmittee derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred

26. SHARE TRANSFERS

26 1 Model Article 26(1) is modified by the addition of the words "and, if any of the shares is nil or partly paid, the transferee" after the word "transferor".

26 2 Except as provided in these Articles

(a) an A Shareholder may not, at any time, transfer any of their A Shares without the prior written consent of the Original Shareholder, for so long as he holds shares in the Company, and

(b) a C Shareholder may not, at any time, transfer any of their C Shares

26 3 If a Relevant Event occurs in relation to an A Shareholder or a C Shareholder (other than the Original Shareholder), he shall be deemed to have served a Transfer Notice in respect of all A Shares or C Shares (as applicable) held by him, or by any nominee for him, immediately prior to the Relevant Event (**Seller**) Where a Transfer Notice is deemed to have been served, it cannot be withdrawn

- 26 4 A Transfer Notice is to constitute the Board as the Seller's agent for the transfer of the Sale Shares at the Sale Price
- 26 5 As soon as reasonably practicable following the deemed service of a Transfer Notice, the Board shall instruct the Auditors to prepare an Auditors' Certificate.
- 26 6 When the Auditors' Certificate is issued
- (a) it shall be binding on the Seller and the Company;
 - (b) the Company shall, within 5 Business Days of the issue of the Auditors' Certificate, to supply a copy to the Seller, and
 - (c) the cost of obtaining an Auditors' Certificate shall be borne by the Seller unless otherwise determined by the Auditors
- 26 7 When the Sale Price is certified, the Company may at its discretion buy-back any or all of the Sale Shares, provided that it is legally able to do so.
- 26 8 If the Company has not bought-back all of the Sale Shares within 20 Business Days of the Sale Price being certified, the Board is promptly to issue an offer notice to all of the A Shareholders who hold A Shares at that time (except the Seller) offering such of the Sale Shares to each of them (as have not been bought –back by the Company pursuant to Article 26 7) in such proportion as the number of shares held by each one of them bears to the total number of A Shares held by the A Shareholders (excluding the Seller) at that time (**Offer Notice**) The Offer Notice shall state the number of Sale Shares offered, the Sale Price, that the offer must be accepted within the Acceptance Period and that the A Shareholders to whom the Sale Shares are offered may apply for as many excess Sale Shares as they desire at the Sale Price. The Offer Notice is to be open for the Acceptance Period
- 26.9 Any A Shareholder to whom the offer is given who desires an allocation of Sale Shares in excess of his pro rata allocation should in his application for the Sale Shares state how many excess Sale Shares he desires to have If the A Shareholders who have been offered Sale Shares do not claim their pro rata allocation, the unclaimed Sale Shares shall be applied in satisfying claims for excess Sale Shares and in the case of competition, they shall be applied in such proportion as the number of shares held by an A Shareholder applying for excess Sale Shares bears to the total number of Shares held by all the A Shareholders who have applied for excess Sale Shares (as nearly as may be without involving fractions or increasing the number allocated to any applicant beyond that applied for by each)
- 26 10 The Board is to allocate the Sale Shares (or those of the Sale Shares as are applied for) in accordance with the applications received within the Acceptance Period and shall promptly issue an Acceptance Notice to the Seller.
- 26 11 The Seller is bound to transfer the Sale Shares (or those of the Sale Shares as are applied for) to the Transferees at the time and place specified in the Acceptance Notice and payment of the Sale Price for the Sale Shares (or, if some only of the Sale Shares have been applied for, the corresponding proportion of the Sale Price for all the Sale

Shares) is to be made by the Transferees to the Board as agents for the Seller on the date specified for completion in the Acceptance Notice

- 26.12 If the Seller fails to transfer the Sale Shares (or those of the Sale Shares as are applied for), the chairman of the Company (or some other person appointed by the Board) will 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 Sale Shares (or those of the Sale Shares as are applied for) to the Transferees against payment to the Company of the Sale Price in accordance with Article 26.11 above (or the corresponding proportion of the Sale Price) On payment to the Company of the Sale Price (or the appropriate proportion of it), the Transferees are to be deemed to have obtained a good discharge for their payment
- 26.13 On execution and delivery of the transfers, the Transferees are entitled to require their names to be entered in the register of members as the holders by transfer of the Sale Shares (or such of the Sale Shares as are applied for) After the names of the Transferees have been entered in the register of members in purported exercise of the above powers, the validity of the proceedings are not to be questioned by any person
- 26.14 The Company is to pay the Sale Price (or the appropriate proportion of it) into a separate bank account in the Company's name and hold it in trust for the Seller (for so long as it remains in the said bank account) and is to pay the Sale Price or any proportion of it to the Seller within 10 Business Days of receipt of the same, after deducting any fees or expenses falling to be borne by the Seller
- 26.15 If an Offer Notice is not accepted in whole or is accepted but in part only within the Acceptance Period, then
- (a) the Seller may during the period of 6 months following the expiry of the Acceptance Period transfer all or any of the remaining Sale Shares to any person, who is approved by the Original Shareholder (for so long as he holds shares in the Company), at a price not being less than the Sale Price,
 - (b) the Board may require to be satisfied that the Sale Shares are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance of any kind to the buyer and if not satisfied may refuse to register the relevant instrument of transfer,
 - (c) where the Sale Shares are sold to a third party, the Sale Price will be payable on the date specified for completion in the Acceptance Notice by the third party direct; and
 - (d) a director who is, or is nominated by, the Seller is not entitled to vote at any Board meeting at which a resolution relating to the sale is proposed

27. DRAG ALONG

- 27.1 In this article 27, a Proposed Purchaser means a person who proposes to purchase shares which at the relevant time has made a bona fide offer for the relevant shares on arm's length terms

- 27.2 Any one or more holders of shares in the Company (the **sellers**) together holding not less than 50% of the issued shares in the Company and which have agreed to sell all of their respective shares (the **Transfer Shares**) to a Proposed Purchaser shall have the right (the **Drag Along Right**) to require all (but not some only) of the other holders of shares (the **Dragged Shareholders**) to transfer all of the respective shares held by such Dragged Shareholders (the **Dragged Shares**) to the Proposed Purchaser on the basis set out in this article 27
- 27.3 The Drag Along Right may be exercised by the sellers serving written notice (a **Drag Along Notice**) on the Dragged Shareholders specifying:
- (a) that the Dragged Shareholders are required to transfer all of their respective Dragged Shares pursuant to this article 27;
 - (b) the identity of the Proposed Purchaser;
 - (c) the price per share the Proposed Purchaser is proposing to pay for the Transfer Shares and the other terms and conditions of payment, and
 - (d) the proposed place, date and time of completion of the transfer of the Transfer Shares, which must not be less than 20 days after the date of service of the Drag Along Notice
- 27.4 A Drag Along Notice once given shall be irrevocable but shall lapse (and the obligations under such notice shall lapse) in the event that the sale of the Transfer Shares to the Proposed Purchaser does not proceed within 60 Business Days of the date of service of the Drag Along Notice (the **Drag Period**)
- 27.5 A Dragged Shareholder shall only be obliged to sell his Dragged Shares on terms that he shall be entitled to receive for each Dragged Share on completion a sum in cash (the **Drag Along Price**) equal to the highest price per share paid or payable by the Proposed Purchaser for any Transfer Shares
- 27.6 Upon the exercise of the Drag Along Right in accordance with this article 27 the Dragged Shareholders shall be bound to sell their respective Dragged Shares at the Drag Along Price and otherwise in accordance with this paragraph
- 27.7 Unless otherwise agreed by the sellers and all of the Dragged Shareholders, completion of the sale of the Dragged Shares shall take place on the date, and at the time and place, specified by the sellers in the Drag Along Notice in respect of the transfer by the sellers to the Proposed Purchaser of the Transfer Shares
- 27.8 A transfer of Dragged Shares to a Proposed Purchaser pursuant to the terms of this article 27 shall not be subject to any right of first refusal provisions
- 28. TAG ALONG RIGHTS ON A CHANGE OF CONTROL**
- 28.1 If, in one or a series of related transactions, one or more sellers propose to transfer any of the shares in the Company ("**Proposed Transfer**") which would, if carried out, result

in any person (the "**Buyer**"), and any person Acting in Concert with the Buyer, acquiring a Controlling Interest in the Company

28.2 Before making a Proposed Transfer, a Seller shall procure that the Buyer makes an offer (the "**Offer**") to the holder of the B Shares to purchase all of the shares held by them for a consideration in cash per share that is at least equal to the highest price per share offered or paid by the Buyer, or any person Acting in Concert with the Buyer, in the Proposed Transfer or in any related previous transaction in the 12 months preceding the date of the Proposed Transfer (the "**Specified Price**")

28.3 The Offer shall be given by written notice (the "**Offer Notice**"), at least 20 Business Days (the "**Offer Period**") before the proposed sale date (the "**Sale Date**") To the extent not described in any accompanying documents, the Offer Notice shall set out

- (a) the identity of the Buyer;
- (b) the purchase price and other terms and conditions of payment,
- (c) the Sale Date, and
- (d) the number of Shares proposed to be purchased by the Buyer (the "**Offer Shares**")

28.4 If the Buyer fails to make the Offer to the holder of the B Shares in accordance with article 28.2 and article 28.3, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer

28.5 If the Offer is accepted by the holder of the B Shares within the Offer Period, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by the holder of the B Shares

29. AMENDMENT OF ARTICLES

29.1 These Articles shall not be amended without the prior written consent of the holders of three quarters of the B Shares