

Company No. 07289573

THE COMPANIES ACT 2006

**PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
FREEMARKETFX LIMITED**

Adopted by special resolution passed on 8 February 2021

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ARTICLES OF ASSOCIATION

of

FREEMARKETFX LIMITED

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PRELIMINARY

1 MODEL ARTICLES

- 1.1 The articles of association of the Company (the “**Articles**”) shall comprise the regulations contained herein together with the regulations contained in the model articles for private companies limited by shares as set out in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) (“**Model Articles**”), save insofar as they are excluded or modified by, or are inconsistent with, the regulations contained herein.
- 1.2 Model Articles 5, 6, 7, 8, 11(2) and (3), 12, 13, 14(1) to (4) inclusive, 16, 21, 22, 26(5), 32, 38, 44(2), 50, and 51 to 53 (inclusive) shall not apply to the Company.
- 1.3 In Model Article 25(2)(c) the words “evidence, indemnity and the payment of a reasonable fee” shall be deleted and replaced with the words “evidence and indemnity”.

2 INTERPRETATION

- 2.1 In these Articles, unless the context otherwise requires:

“A Ordinary Shares”

means the A ordinary shares of £0.10 each in the capital of the Company;

“Act”

means the Companies Act 2006;

“Auditors”

means the auditors of the Company from time to time or in the event that they are unable or unwilling to act, or where there are no formally appointed auditors, then any auditors or accountants appointed by the Directors;

“Available Profits”

means profits available for distribution within the meaning of the Act;

“BHL”

means BHL (UK) Holdings Limited, a company incorporated in England and Wales with company registration number 08604368 whose registered office is at Bath House, 16 Bath Row, Stamford, Lincolnshire, PE9 2QU

“Board”

means the board of directors of the Company (or any duly authorised committee thereof) from time to time;

“Companies Acts”

has the meaning given to it in the Act;

“Director”

means a director of the Company from time to time;

“Eligible Director”

means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of a particular matter);

“Family Member”

in relation to a Shareholder, any one or more of that person’s parent, spouse, civil partner, or children (including step-children) or co-habiting partner (where such partner has co-habited with that Shareholder for a period of five years or more as documented by written evidence);

“Family Trust”

in relation to a Shareholder, a trust or settlement set up wholly for the benefit of that person and/or that person’s Family Members;

“Group”

the Company and its subsidiary undertaking(s) (if any) from time to time and references to **“Group Company”** and **“members of the Group”** shall be construed accordingly;

“Issue Price”

means the price at which a share is issued including any share premium;

“Market Value”

has the meaning given in Article 11.6.1;

“Majority of Shareholders”

means Shareholders together holding not less than 75% of the Shares, which, for so long as it holds shares, must include BHL, and where a Majority of Shareholders are required to consent, resolve or otherwise agree to a particular matter, such consent, resolution or other agreement shall be in writing;

“Ordinary Shares”

means the ordinary shares of £0.10 each in the capital of the Company;

“Permitted Transferee”

means a recipient of Shares pursuant to Article 9, and **“Permitted Transfer”** shall be construed accordingly;

“Sale”

means the transfer (whether through a single transaction or a series of transactions) of Shares as a result of which any person (or persons connected with each other, or persons acting in concert with one another) would hold or acquire beneficial ownership of or over that number of shares in the Company which in aggregate confer 50% or more of the voting rights normally exercisable at general meetings of the Company provided that there shall be no Sale as a result of any transfer pursuant to Article 9 (*Permitted Transfers*);

“Share”

means any share in the capital of the Company from time to time;

“Shareholder”

means a holder of any Share(s) from time to time; and

“Shareholders Agreement”

means the shareholders agreement dated on or around the date of adoption of these Articles and made between (1) the Company and (2) the Shareholders (as such expressions are defined in such agreement, as it may be amended and novated from time to time);

“Valuers”

means the Auditors unless:

- (a) a report on the Market Value is to be made pursuant to a Deemed Transfer Notice and, within 21 days after the date of the Deemed Transfer Notice, the Seller notifies the Board in writing that it objects to the Auditors making that report; or
- (b) the Auditors give notice to the Company that they decline an instruction to report on Market Value,

when the Valuers shall be a firm of chartered accountants agreed between the Seller and the Board and appointed by the Board acting as agent or attorney for the Seller or, in default of agreement within 20 business days after the event referred to in (a) or (b) above, appointed by the President of the Institute of Chartered Accountants in England and Wales on the application of the Seller or the Board.

2.2 Construction

2.2.1 In these Articles, unless otherwise specified or the context otherwise requires:

- (a) reference to any provision of law is a reference to that provision as modified or re-enacted from time to time;
- (b) reference to any statutory provision is a reference to any subordinate legislation made under that provision from time to time;

2.2.2 Headings used in these Articles are for reference only and shall not affect the construction or interpretation of these Articles.

2.2.3 The Interpretation Act 1978 shall apply to these Articles in the same way as it applies to an enactment.

2.2.4 Unless otherwise provided in these Articles any word or expressions defined in the Act shall have the same meaning when used in these Articles.

2.3 Other references

In these Articles a reference to:

2.3.1 **“Articles”** is a reference to a provision of these Articles and references to paragraphs are, unless otherwise stated, references to paragraphs of the Articles in which the reference appears;

2.3.2 **“business day”** means a day, other than a Saturday or a Sunday, on which banks are open for business in London;

2.3.3 the term **“connected person”** has the meaning attributed to it by Section 1122 Corporation Tax Act 2010 and **“connected with”** shall be construed accordingly;

2.3.4 the term **“acting in concert”** has the meaning attributed to it at the date of adoption of these Articles by the City Code on Takeovers and Mergers;

2.3.5 a **“person”** includes any individual, firm, company, corporation, body corporate, government, state or agency of state, trust or foundation, or any association,

partnership or unincorporated body of two or more of the foregoing (whether or not having separate legal personality and wherever incorporated or established);

2.3.6 a “**subsidiary**” means a subsidiary as defined in section 1159 and Schedule 6 of the Companies Act 2006 and a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c), as a member of another company even if its shares in that company are registered in the name of (a) another person (or its nominee), whether by way of security or in connection with the taking of security, or (b) its nominee;

2.3.7 a “**holding company**” means a holding company as defined in section 1159 and Schedule 6 of the Companies Act 2006 and a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c), as a member of another company even if its shares in that company are registered in the name of (a) another person (or its nominee), whether by way of security or in connection with the taking of security, or (b) its nominee; and

2.3.8 “**in writing**” or “**written**” includes faxes and any non-transitory form of visible reproduction or words but excludes electronic mail and text messaging via mobile phone.

2.4 “**Majority of Shareholders**”

2.4.1 For the purposes of these Articles the consent of a Majority of Shareholders will be deemed to have been given where any Shareholder or Shareholders holding between them more than 75% in nominal value of all Shares held by the Shareholders at that time submit to the Board their written consent.

2.4.2 In the case of a Shareholder which is a body corporate, the consent of such Shareholder may be evidenced by a document signed by a duly appointed representative of that Shareholder.

2.5 “**Transfer of Shares**”

A reference in these Articles to the transfer of any Share shall mean the transfer of either or both of the legal and beneficial ownership in such Share and/or the grant of an option to acquire either or both of the legal and beneficial ownership in such Share and the following shall be deemed (but without limitation) to be a transfer of a Share:

2.5.1 any direction (by way of renunciation or otherwise) by a Shareholder entitled to an allotment or issue of any Share that such Share be allotted or issued to some person other than himself;

2.5.2 any sale or other disposition of any legal or equitable interest in a Share (including any voting right attached thereto) and whether or not by the registered holder thereof and whether or not for consideration or otherwise and whether or not effected by an instrument in writing; and

2.5.3 any grant of a legal or equitable mortgage or charge over any Share.

2.6 **Bare nominees**

Where any Shares are held by a bare nominee for any person, that person shall be treated for the purposes of these Articles as the Shareholder in respect of those Shares.

SHARE CAPITAL

3 **SHARE CAPITAL**

The Company's shares are Ordinary Shares and A Ordinary Shares and are unlimited in number. Save for the specific conversion rights set out in Article 4.4 (applicable to the A

Ordinary Shares only), the A Ordinary Shares shall have the same rights as the Ordinary Shares.

4 SHARE RIGHTS

4.1 Dividends

Any Available Profits which the Company may determine to distribute in respect of any financial year shall, subject to the consent of a Majority of Shareholders and recommendation by the Board, be distributed amongst the holders of Shares then in issue *pari passu*.

4.2 Return of capital

If (i) any capital is returned to Shareholders for any reason (including upon an insolvency event in relation to the Company) the surplus assets of the Company remaining after paying all its liabilities, or (ii) upon a change of control, the capital returned to Shareholders or the consideration payable to Shareholders in the case of such change of control transaction (as the case may be) will be distributed *pari passu*.

4.3 Voting Rights

Each holder of Shares shall be entitled to receive notice of and to attend and speak at any general meetings of the Company and a holder of Shares who (being an individual) is present in person or by proxy or (being a body corporate) is present by a duly authorised representative shall, on a show of hands, have one vote each, and, on a poll, have one vote for each Share of which he is the holder.

4.4 Conversion Rights

The A Ordinary Shares shall automatically convert into Ordinary Shares or the most senior class of new share in the Company then in issue upon a FCA Capital Shares Further Conversion, as set out and defined in clause 7(d) of the convertible loan agreement between the Company and BHL, a copy of which is attached to these Articles.

5 ISSUES OF NEW SHARES

5.1 Section 550 of the Act

The Directors may only exercise the Company's power to allot shares in accordance with this Article 5.

5.2 Offer to existing shareholders

5.2.1 Unless otherwise agreed by a Majority of Shareholders or any issue pursuant to Article 5.7 and subject to Article 5.3, all unissued Shares which the Directors propose to offer, allot, issue, grant options over or otherwise deal with or dispose of, shall first be offered to the existing Shareholders at such time in proportion to the total number of Shares held by them respectively and at the proposed issue price.

5.2.2 Each offer shall be made by notice specifying

- (a) the total number of Shares being offered;
- (b) the proportionate entitlement of the Shareholder to whom the offer is being made; and
- (c) the price per Share,

and shall require each Shareholder to state in writing within a period (not being less than 28 days, unless all Shareholders agree to waive such time period) specified in the notice (for the purposes of this Article 5, the "**Offer Period**") whether he is willing to take any and, if so, what number of the said Shares up to his proportionate entitlement.

5.3 **Excess Shares**

Shareholders who accept an offer referred to in Article 5.2 shall be entitled to indicate that they would accept, on the same terms, Shares that have not been accepted by other Shareholders (for the purposes of this Article 5, "**Excess Shares**") and indicating the number of Excess Shares they would be willing to accept.

5.4 **No acceptance of offer**

5.4.1 An offer, if not accepted within the Offer Period as regards any Shares, will be deemed to be declined and the relevant Shares shall be offered to the Shareholders who have, within the Offer Period, indicated that they would accept Excess Shares.

5.4.2 Excess Shares shall be allotted pro rata to the aggregate number of Shares held by Shareholders accepting Excess Shares provided that no such Shareholder shall be allotted more than the maximum number of Excess Shares than such Shareholder has indicated he is willing to accept.

5.5 **Remaining Shares**

To the extent that any Shares have not been accepted by existing Shareholders pursuant to Articles 5.2 and 5.3, such Shares shall be under the control of the Directors, who may offer, allot, grant options over or otherwise deal with or dispose of them to such persons, at such times and on such terms and conditions as the Directors may decide provided that no Share may be issued on terms which are more favourable than the terms on which they were offered to the Shareholders.

5.6 **Exclusion of statutory pre-emption**

The pre-emption provisions of Section 561(1) of the Act shall not apply to any allotment of the Company's equity securities.

5.7 **Employee Incentivisation**

The provisions of Articles 5.1 to 5.5 shall not apply to the issue of shares, options or other convertible rights to employees and/or consultants of the Company or Group Company pursuant to a *bona fide* share incentivisation plan in respect of up to a maximum amount of 10.35% of the fully diluted share capital of the Company from time to time.

Any increase in the percentage of the fully diluted share capital of the Company pursuant to this Article 5.7 shall require the consent of the holders of 85% or more of the issued share capital of the Company from time to time.

6 **PROVISION ON SALE**

On a Sale then, notwithstanding anything to the contrary in the terms and conditions governing such Sale, the Shareholders selling Shares shall pay the proceeds of Sale into the client account of the firm of solicitors dealing with the Sale and such proceeds shall as between the Shareholders be allocated and paid in the amounts set out in Article 4.2.

7 **ALL SHARES TO BE FULLY PAID UP**

Unless the Company otherwise resolves by ordinary resolution, no share will be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.

SHARE TRANSFERS

8 **PROHIBITED TRANSFERS**

8.1 Any person who holds, or becomes entitled to, any Share shall not, without the consent of a Majority of Shareholders effect a transfer of any Share except a transfer in accordance with

Article 9 (Permitted Transfers), Article 10 (Pre-emption), Article 13 (Drag Along) or Article 14 (Tag Along).

- 8.2 The Directors may refuse to register the transfer of a Share if such transfer is not made in accordance with the provisions of these Articles.

9 PERMITTED TRANSFERS

9.1 Family transfers

Any Shareholder who is an individual may at any time transfer any Share to a Family Member over the age of 18 or to the trustees of a Family Trust.

9.2 Transfers by trustees of Family Trusts

- 9.2.1 Any Shareholder who is a trustee of a Family Trust may at any time transfer any Share to:

- (a) the new or remaining trustees of the Family Trust upon any change of trustees;
- (b) the trustees of any other Family Trust in relation to the same individual pursuant to the terms of such Family Trust; and
- (c) any person becoming entitled to that Share under the terms of that Family Trust.

- 9.2.2 If and whenever any of the Shares held in Family Trust cease to be held under trust (other than pursuant to 9.2.1(c)) the trustees shall immediately give a Transfer Notice in respect of the Shares concerned and in default of giving such a Transfer Notice, the trustees shall be deemed to have given such notice on such event.

9.3 Intragroup transfers

- 9.3.1 Any Shareholder which is a body corporate may at any time transfer any Shares held by it to any of its subsidiaries, any holding company of the Shareholder or any such holding company or any subsidiary of any such holding company from time to time (for the purposes of this Article 9.3 the “**Group**”).

- 9.3.2 Where Shares have been transferred under Article 9.3.1 (whether directly or by a series of transfers) from a body corporate (the “**Transferor Company**”) to a member of the Group (the “**Transferee Company**”) and subsequently the Transferee Company ceases to be a member of the Group of the Transferor Company, it shall be the duty of the Transferee Company to give a Transfer Notice immediately in respect of the relevant Shares and in default of giving such Transfer Notice, the Transferee Company shall be deemed to have given such notice on such cessation.

- 9.3.3 For the purposes of Article 9.3.1 the expression the “**relevant Shares**” means and includes (so far as the same remains for the time being held by the Transferee Company) the Shares originally transferred and any additional Shares issued or transferred to the Transferee Company by virtue of the holding of the relevant Shares or any of them or the membership thereby conferred.

- 9.3.4 The provisions of Article 9.3.2 shall not apply where the relevant transfer takes place pursuant to a scheme of reconstruction or amalgamation under which the Transferor Company is placed in liquidation and the Transferee Company acquires the whole or the major part of its undertaking and assets.

10 PRE-EMPTION

10.1 Condition of Pre-Emption

Any person who holds, or becomes entitled to any Shares representing less than 25% of the Shares shall not, without the consent of Shareholders holding at least 51% of the Shares (excluding the Shares of the person who wishes to transfer) seek to effect a transfer in accordance with this Article 10.

10.2 Service of transfer notice

10.2.1 Except in the case of a transfer pursuant to Article 9 (*Permitted Transfers*), Article 13 (*Drag Along*) or Article 14 (*Tag Along*), a Shareholder (the “**Seller**”) who wishes to transfer any Shares shall give notice in writing of such wish to the Company (the “**Transfer Notice**”). Each Transfer Notice shall:

- (a) relate to one class of Shares only;
- (b) specify the number and class of Shares which the Seller wishes to transfer (the “**Sale Shares**”);
- (c) specify the identity of any person to whom the Seller wishes to transfer the Sale Shares (the “**Proposed Transferee**”);
- (d) specify the price per Share (the “**Proposed Price**”) at which the Seller wishes to transfer the Sale Shares;
- (e) state whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the following provision of this Article 10 (“**Total Transfer Condition**”);
- (f) be deemed to constitute the Company the Seller’s agent for the sale of the Sale Shares at the Sale Price (as defined below) in the manner prescribed by these Articles; and
- (g) not be varied or cancelled without the consent of a Majority of Shareholders.

10.3 Determination of Sale Price

10.3.1 The Sale Shares shall be offered for purchase in accordance with this Article 10 at a price per Sale Share equal to the Proposed Price (the “**Sale Price**”)

10.4 Service of Transfer Notice by the Board

The Board shall no more than 20 business days after receipt of the Transfer Notice give a notice (for the purposes of this Article 10, an “**Offer Notice**”) to all Shareholders to whom the Sale Shares are to be offered in accordance with these Articles.

10.5 Offer Notice

An Offer Notice shall expire 15 business days after its service and shall:

- (a) specify the Sale Price;
- (b) contain the other information set out in the Transfer Notice; and
- (c) invite the relevant offerees to apply in writing, before expiry of the Offer Notice, to purchase the numbers of Shares specified by them in their application.

10.6 Offerees

10.6.1 The Sale Shares shall be offered to all Shareholders (other than the Seller or any other Shareholder who is then bound to give, has given or is deemed to have given a Transfer Notice) in proportion to the total number of Shares held by them respectively.

- 10.6.2 Shareholders who accept the Offer shall be entitled to indicate that they would accept, on the same terms, Sale Shares that have not been accepted by the other Shareholders (for the purpose of this Article 10, "**Excess Shares**").
- 10.6.3 To the extent that any Sale Shares have not been accepted by Shareholders during the period specified in Article 10.5, such Excess Shares shall be offered to those Shareholders who have indicated that they would accept Excess Shares.
- 10.6.4 In the case of an Offer of Excess Shares the expiry date of the Offer Notice shall be extended by a further 10 business days.
- 10.6.5 Excess Shares shall be allocated pro rata to the aggregate number of shares held by Shareholders accepting Excess Shares provided that no such Shareholder shall be allotted more than the maximum number of Excess Shares that such Shareholder has indicated he is willing to accept.

10.7 **Allocation of Sale Shares**

After the expiry date of the Offer Notice (or, if earlier, after valid applications being received for all the Sale Shares in accordance with Article 10.6), the Board shall allocate the Sale Shares in accordance with the applications received, subject to the other provisions of these Articles, save that:

- 10.7.1 if there are applications from any offerees for more than the number of Sale Shares available, they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any Shareholder more Sale Shares than the maximum number applied for by him) to the number of Shares which entitles them to receive such offer then held by them respectively;
- 10.7.2 if it is not possible to allocate any of the Sale Shares without involving fractions, they shall be allocated amongst the applicants in such manner as the Board shall think fit;
- 10.7.3 if the Transfer Notice contained a Total Transfer Condition, no allocation of Sale Shares shall be made unless all the Sale Shares are allocated.

10.8 **Notice of purchasers**

Within 5 business days of the expiry date of the last Offer Notice, the Board shall give notice in writing (a "**Sale Notice**") to the Seller and to each person to whom Sale Shares have been allocated (each a "**Purchaser**") specifying the name and address of each Purchaser, the number of Sale Shares agreed to be purchased by him and the total price payable for them.

10.9 **Completion**

Completion of a sale and purchase of Sale Shares pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Sale Notice when the Seller shall, upon payment to him by a Purchaser of the Sale Price in respect of the Sale Shares allocated to that Purchaser, transfer those Sale Shares and deliver the relevant share certificates to that Purchaser.

10.10 **Sale by Seller**

The Seller may, during the period of 60 business days commencing 20 business days after the expiry date of the last Offer Notice, sell all or any of those Sale Shares for which a Sale Notice has not been given by way of *bona fide* sale to the proposed transferee (if any) named in the Transfer Notice or, if none was so named, to any transferee at any price per Sale Share which is not less than the Sale Price, without any deduction, rebate or allowance to the proposed transferee.

10.11 **Failure to transfer by Seller**

If a Seller fails for any reason (including death) to transfer any Sale Shares when required pursuant to this Article 10:

- 10.11.1 the Board may authorise any person (who shall be deemed to be irrevocably appointed as the agent of that Seller for the purpose) to execute the necessary transfer of such Sale Shares with full title guarantee and free from all encumbrances and deliver it on the Seller's behalf;
- 10.11.2 the Company may receive the purchase money for such Sale Shares from the Purchaser and shall upon receipt (subject, if necessary, to the transfer being represented duly stamped) register the Purchaser as the holder of such Sale Shares;
- 10.11.3 the Company shall hold such purchase money in a separate bank account on trust for the Seller but shall not be bound to earn or pay interest on any money so held;
- 10.11.4 the Company's receipt for such purchase money shall be a good discharge to the Purchaser who shall not be bound to see to the application of it; and
- 10.11.5 after the name of the Purchaser has been entered in the register of members in purported exercise of the power conferred by this Article 10.11, the validity of the proceedings shall not be questioned by any person.

10.12 Valuers' role

If instructed to report on their opinion of Market Value under Article 11.6.1 the Valuers shall:

- 10.12.1 act as expert and not as arbitrator and their written determination shall be final and binding on the Shareholders (except in the case of manifest error); and
- 10.12.2 proceed on the basis that the open market value of each Sale Share shall be the sum which a willing purchaser would agree with a willing vendor to be the purchase price for the Sale Shares taking into account any premium or any discount by reference to the size of the holding the subject of the Transfer Notice or in relation to any restrictions on the transferability of the Sale Shares.

10.13 Timing of opinion

The Company will use its reasonable endeavours to procure that the Valuers deliver their written opinion of the Market Value to the Board and to the Seller within 28 days of being requested to do so.

10.14 Valuers' fees

The Valuers' fees for reporting on their opinion of the Market Value shall be paid by the Company.

11 COMPULSORY TRANSFER

11.1 Transfer Event

In this Article 11, a "**Transfer Event**" occurs, in relation to any Shareholder:

- 11.1.1 if that Shareholder being an individual has a bankruptcy order made against him or is declared bankrupt by any court of competent jurisdiction and within the following twelve months either a Majority of Shareholders notifies the Company or the Board resolves that such event is a Transfer Event in relation to that Shareholder for the purposes of this Article 11; or
- 11.1.2 if that Shareholder makes or offers or purports to make any arrangement or composition with his creditors generally and within the following twelve months either a Majority of Shareholders notifies the Company or the Board resolves that such event is a Transfer Event in relation to that Shareholder for the purposes of this Article 11; or

11.1.3 if that Shareholder being a body corporate:

- (a) has a receiver, manager or administrative receiver appointed over all or any part of its undertaking or assets;
- (b) has an administrator appointed in relation to it; or
- (c) enters into liquidation (other than a voluntary liquidation for the purpose of a **bona fide** scheme of solvent amalgamation or reconstruction); or
- (d) has any equivalent action in respect of it taken in any jurisdiction;

and within the following twelve months either a Majority of Shareholders notifies the Company or the Board resolves that such event is a Transfer Event in relation to that Shareholder for the purposes of this Article 11; or

11.1.4 if a Shareholder or any Family Member or the trustees of any Family Trust of a Shareholder shall attempt to deal with or dispose of any Share or any interest in it otherwise than in accordance with Article 9 (*Permitted Transfers*), Article 10 (*Pre-emption*) and this Article 11 (*Compulsory Transfers*) or in breach of Article 14 (*Tag Along*) or Article 8 (*Prohibited Transfers*) and within the following twelve months either a Majority of Shareholders notifies the Company or the Board resolves that such event is a Transfer Event in relation to that Shareholder for the purposes of this Article 11 (save in the case of honest mistake provided that, within 10 business days following such Shareholder or Family Member or the trustees of the Family Trust (as the case may be) becoming aware of the mistake, such transaction is terminated and, where necessary, reversed); or

11.1.5 if a Shareholder shall for any reason not give a Transfer Notice in respect of any Shares or transfer any Shares (as the case may be) as required by Article 9.2.2 or 9.3.2 and within the following twelve months either a Majority of Shareholders notifies the Company or the Board resolves that such event is a Transfer Event in relation to that Shareholder for the purposes of this Article 11 (save in the case of honest mistake provided that, within 10 business days following the trustees of the Family Trust or such Shareholder (as the case may be) becoming aware of the mistake, the requirements of Article 9.2.2 or 9.3.2, as appropriate, are complied with); or

11.1.6 if a Shareholder acquires Shares pursuant to a right or interest held by such Shareholder in respect of whom any of the events set out in Articles 11.1.1 - 11.1.3 has occurred and within the twelve month period following such Shares being acquired either a Majority of Shareholders notifies the Company or the Board resolves that such event is a Transfer Event in relation to that Shareholder for the purposes of this Article 11.

11.2 Deemed transfer notice

Upon the giving of a notification or the passing of a resolution under Article 11.1 that the same is a Transfer Event the Shareholder in respect of whom it is a Transfer Event (the “**Relevant Shareholder**”) and any other Shareholder who has acquired Shares from him under a Permitted Transfer (directly or by means of a series of two or more Permitted Transfers) shall be deemed to have immediately given a Transfer Notice in respect of all the Shares then held by such Shareholder(s) (a “**Deemed Transfer Notice**”), (which expression includes a Transfer Notice given under Article 9.2.2 or 9.3.2).

11.3 Persons included under Deemed Transfer Notice

For the purpose of Article 11.2 and 11.4, any Shares received by way of rights or on a capitalisation by any person to whom Shares may have been transferred (directly or by means of a series of two or more Permitted Transfers) shall also be treated as included within the Deemed Transfer Notice.

11.4 **Effect on existing Transfer Notice**

A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Shares except for Shares which have then been validly transferred pursuant to that Transfer Notice.

11.5 **Disenfranchisement**

Notwithstanding any other provision of these Articles, if a Majority of Shareholders so resolves in relation to any Shares, any Shareholder holding Shares in respect of which a Deemed Transfer Notice is deemed given shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those Shares on and from the date of the relevant Deemed Transfer Notice until the entry in the register of members of the Company of another person as the holder of those Shares.

11.6 **Procedure for sale**

The shares the subject of a Deemed Transfer Notice shall be offered for sale in accordance with Article 10 (*Pre-emption*) as if they were Sale Shares in respect of which a Transfer Notice had been given and treating as the Seller the person who is deemed to have given the Deemed Transfer Notice save that:

- 11.6.1 the Sale Price shall be a price per Sale Share agreed between the Seller and the Board or, in default of agreement within 15 business days after the making of the notification or resolution under Article 11.1 that the same is a Transfer Event, the price per share reported on by the Valuers as their written opinion of the open market value of each Sale Share in accordance with Article 10.12 (the “**Market Value**”) as at the date of service of the Transfer Notice or in the case of a Transfer Event under Article 11.1.6 the date of the earlier event under Article 11.1.1 to 11.1.3 referred to therein (the “**Relevant Date**”) in which case for the purposes of these Articles the Sale Price shall be deemed to have been determined on the date of the receipt by the Company of the Valuers’ report;
- 11.6.2 a Deemed Transfer Notice shall be deemed not to contain a Total Transfer Condition and shall be irrevocable;
- 11.6.3 the Seller may retain any Sale Shares for which Purchasers are not found;
- 11.6.4 the Sale Shares shall be sold together with all rights, attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those Shares after that date; and
- 11.6.5 Article 13 (*Drag Along*) shall apply.

11.7 **Permitted Transfers**

Once a Deemed Transfer Notice shall under these Articles be deemed to have been served in respect of any Share then, except as approved by a Majority of Shareholders no permitted transfer under Article 9 (*Permitted Transfers*) may be made in respect of such Share unless and until an Offer Notice shall have been served in respect of such Share and the period of allocation permitted under Article 10 (*Pre-emption*) shall have expired without such allocation.

12 **COMPLIANCE**

12.1 **Furnishing of information**

For the purpose of ensuring compliance with the transfer provisions of these Articles, the Company may require any Relevant Shareholder or other Shareholder to procure that:

- 12.1.1 he; or
- 12.1.2 any proposed transferee; or

12.1.3 such other person as is reasonably believed to have information and/or evidence relevant to such purpose,

provides to the Company any information and/or evidence relevant to such purpose and until such information and/or evidence is provided the Company shall refuse to register any relevant transfer (otherwise than with the consent of the Majority of Shareholders).

12.2 **Appointment of attorney**

Each Shareholder hereby irrevocably appoints the Company as his agent (with the power to appoint any member of the Board as a substitute and to delegate to that substitute all or any powers hereby conferred, other than this power of substitution, as if he had been originally appointed by this Article 12.2) to give effect to the provisions of these Articles.

13 **DRAG ALONG**

13.1 **Acceptance by majority**

If the holders of not less than 50% of the equity share capital then in issue (the “**Accepting Shareholders**”) wish to transfer all their share capital only to a *bona fide* arm’s length purchaser (for the purposes of this Article 13, the “**Offer**”), the Accepting Shareholders shall have the option (a “**Drag Along Option**”) to require all the other holders of equity share capital to sell and transfer all their Shares to the Offeror.

13.2 **Obligation to accept Qualifying Offer**

The Accepting Shareholders may exercise the Drag Along Option by giving written notice (a “**Drag Along Notice**”) to the remaining holders of the equity share capital (the “**Other Shareholders**”) of their wish to sell their Shares to the Offeror and the Other Shareholders shall:

13.2.1 become bound to sell their Shares to the Offeror; and

13.2.2 execute all such documents and do all such acts on things which are necessary to transfer his shares to the Offeror in accordance with these Articles.

13.3 **Appointment of attorney**

Each of the Other Shareholders shall, on service of the Drag Along Notice be deemed to have irrevocably appointed each of the Accepting Shareholders severally to be his attorney to execute all such documents and do all such acts or things which are necessary to transfer his Shares to the Offeror.

13.4 **Proceeds of Sale**

In connection with the sale the provisions of Article 6 (*Provision on Sale*) shall apply to the proceeds of the Shares and save as aforesaid the provisions of this Article 13 shall prevail over any contrary provisions of these Articles including rights of pre-emption and other restrictions contained in these Articles which shall not apply on any sale and transfer of Shares to the Offeror. Any Transfer Notice or Deemed Transfer Notice served in respect of any Shares shall automatically be revoked by the service of a Drag Along Notice.

14 **TAG ALONG**

14.1 **Sale of Majority**

If at any time one or more Shareholders (the “**Proposed Sellers**”) propose to sell, in one or a series of related transactions, more than 50% of the share capital in the Company to any person or group of connected persons (not being an Offeror for the purposes of Article 13) (the “**Proposed Purchaser**”), the proposed sale will not be effective unless before the transfer is lodged for registration the Proposed Purchaser has made a bona fide unconditional offer in accordance with Article 14.2 to purchase, at the Proposed Sale Price (as defined in Article 14.3) and otherwise on the same terms, all the equity share capital held by the Shareholders other

than the Proposed Sellers and any person acting in concert with or otherwise connected with them (the “**Minority Shareholders**”).

14.2 **Notice of proposed sale**

An offer made under Article 14.1 shall be in writing, open for acceptance for at least 21 days and shall be deemed to be rejected by any Minority Shareholder who has not accepted it in accordance with its terms within the time period prescribed for acceptance and the consideration thereunder shall be settled in full on completion of the purchase and within 30 days of the date of the offer.

14.3 **Proposed Sale Price**

For the purposes of this Article “**Proposed Sale Price**” shall mean a price per share at least equal to the highest price paid by the Proposed Purchaser for the shares constituting any of the Majority Holding or any equity share capital held by any persons acting in concert with or otherwise connected with the Proposed Seller, within the previous six months.

14.4 **Proceeds of sale**

On the sale effected under this Article 14, the provisions of Article 6 (*Provision on Sale*) shall apply to the proceeds of the Shares.

SHAREHOLDER MEETINGS

15 **PROCEEDINGS OF SHAREHOLDERS**

15.1 **Notice**

15.1.1 An annual general meeting shall be called by not less than 21 days' notice in writing and all other general meetings shall be called by not less than 14 days' notice in writing.

15.2 **Quorum**

15.2.1 No business shall be transacted at any general meeting unless a quorum of Shareholders is present at the time when the meeting proceeds to business.

15.2.2 Three persons entitled to vote upon the business to be transacted, each being a Shareholder or a proxy for a Shareholder or a duly authorised representative of a corporation, of which at least one is Alexander Hunn, shall be a quorum.

15.3 **Voting**

15.3.1 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands, a poll is duly demanded.

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

15.3.3 Model Article 44(3) shall be amended by the insertion of the words “A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.” as a new paragraph at the end of that Model Article.

15.4 **Delivery of proxies**

The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Board must be delivered to the registered office of the Company not less than 48 hours before the time appointed for the holding of the meeting or to the place of the meeting at any time before the time appointed for the holding of the meeting.

DIRECTORS

16 NUMBER OF DIRECTORS

The number of Directors shall be a minimum of one and a maximum of six.

17 APPOINTMENT AND REMOVAL OF DIRECTORS

17.1 Model Article 17(1) shall be modified by the inclusion, at the end of that Model Article, of the words “provided that the appointment does not cause the number of Directors to exceed the maximum number set out in Article 16 of these Articles”.

17.2 Model Article 18 shall be modified by the addition of the following events upon the occurrence of which a person shall cease to be a Director:

17.2.1 he is convicted of a criminal offence (other than a minor motoring offence) and a Majority of Shareholders resolve that he cease to be a Director; and

17.2.2 in respect of any Director not appointed pursuant to the Shareholders Agreement, a majority of the other Directors resolve that he cease to be a Director.

17.3 For so long as BHL is the beneficial owner of any of the issued share capital of the Company, BHL may at any time by notice in writing served on the Company nominate any one person to be a non-executive director of the Company and may similarly require the removal from office of any such person and nominate another person in his place. Subject to the same shareholding condition, BHL may also appoint one person to be a non-voting observer at Board meetings

18 ALTERNATE DIRECTORS

18.1 Appointment of alternate directors

A Director (other than an alternate director) may appoint any other Director to be an alternate director and may remove from office an alternate director so appointed.

18.2 Alternate to count in quorum

A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.

18.3 Right of alternate to vote and count in quorum

Any Director who is appointed an alternate director shall be entitled to vote at a meeting of the Board on behalf of the Director so appointing him in addition to being entitled to vote in his own capacity as a Director and shall also be considered as two Directors for the purpose of making a quorum of Directors unless he is the only individual present.

19 PROCEEDINGS OF DIRECTORS

19.1 Quorum

19.1.1 Save where the Company only has one Director, the quorum for the transaction of business of the Board shall be two Directors.

19.1.2 In addition to the quorum requirements set out at Article 19.1.1, any Board meeting convened:

(a) on less than 14 days' notice; and/or

(b) without an agenda of all matters to be discussed at that Board meeting having been circulated to all Directors at least 14 days in advance;

will require BHL's appointed director (assuming BHL has elected to appoint one) to attend before that Board meeting will be considered quorate.

19.2 **Chairman**

Alexander Hunn shall be the Chairman of the Board ("**Chairman**"), until such time as an independent Chairman is appointed with Alexander Hunn's consent.

19.3 **Casting vote of chairman**

The Chairman of the meeting shall be entitled to a second or casting vote, in the case of an equality of votes.

19.4 **Telephonic board meetings**

19.4.1 Any Director or alternate director may validly participate in a meeting of the Board through the medium of conference telephone or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote.

19.4.2 Subject to the Act, all business transacted in such manner by the Board or a committee of the Board shall for the purpose of these Articles be deemed to be validly and effectively transacted at a meeting of the Board or a committee of the Board notwithstanding that a quorum of Directors is not physically present in the same place.

19.4.3 Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the Chairman of the meeting then is.

19.5 **Decisions of Directors**

19.5.1 Any decision of the Directors must be a majority decision.

19.5.2 Any decision of the Directors must be taken at a meeting of the Directors in accordance with these Articles or in the form of a directors' written resolution.

19.6 **Resolutions in writing**

19.6.1 A resolution executed by all the Eligible Directors, or by all the members of a committee constituted under these Articles, shall be as valid and effectual as if it had been passed at a meeting of the Directors, or (as the case may be) at a meeting of that committee, which in every case was duly convened and held.

19.6.2 For the purposes of this Article 19.6:

- (a) a resolution shall consist of one or more written instruments (including faxes) or one or more electronic communications sent to an address specified for the purpose by the secretary, or a combination of them, provided that each such written instrument and electronic communication (if more than one) is to the same effect;
- (b) a written instrument is executed when the person executing it signs it;
- (c) an electronic communication is executed when the person executing it sends it provided that it has been authenticated in such manner (if any) as the secretary shall prescribe;
- (d) the Directors, or (as the case may be) members of a committee constituted under these Articles, need not execute the same written instrument or electronic communication;

- (e) a resolution shall be effective when the secretary certifies that sufficient evidence has been received by him/her that the resolution has been executed in accordance with this Article 19.6; and
- (f) if no secretary is appointed, the chairman shall perform the functions of the secretary under this Article 19.6.

20 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

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

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

21 DIRECTORS' CONFLICTS

- 21.1 The Directors may, in accordance with the requirements set out in this Article 21, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an "**Interested Director**") breaching his duty under section 175 of the Act to avoid conflicts of interest ("**Conflict**").
- 21.2 Any authorisation under this Article 21 will be effective only if:
 - 21.2.1 to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;
 - 21.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - 21.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 21.3 Any authorisation of a Conflict under this Article 21 may (whether at the time of giving the authorisation or subsequently):

- 21.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 21.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
 - 21.3.3 provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;
 - 21.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
 - 21.3.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
 - 21.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 21.4 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.
- 21.5 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 21.6 A Director, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in his appointor(s) (or any Permitted Transferee of such appointor(s)) and no authorisation under Article 21.3 shall be necessary in respect of any such interest.
- 21.7 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

22 BORROWING POWERS

- 22.1 The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital, and, subject to the Act, to issue debentures and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.

23 COMMITTEES

23.1 Delegation to committees

The Directors may delegate any of their powers, authorities and discretions for such time and on such terms and conditions as it thinks fit to any committee consisting of one or more Directors.

23.2 Exercise of power by committees

Where a provision of the Articles refers to the exercise of a power, authority or discretion by the Board and that power, authority or discretion has been delegated by the Board to a committee, the provisions shall be construed as permitting the exercise of the power, authority or discretion by the committee.

24 NOTICES

24.1 Delivery of notices

Any notice to be given to the Company pursuant to these Articles shall be sent by post to the registered office of the Company or presented at a meeting of the Board.

24.2 Delivery of fax

Any notice to be given pursuant to these Articles may be given by facsimile transmission to the facsimile number maintained at the relevant address of the addressee. Such a notice shall be conclusively deemed to have been properly given at the time shown on the transmission report received by the sender.

25 INDEMNITY

Subject to the provisions of and so far as may be consistent with the Act, but not without prejudice to any indemnity to which a Director may otherwise be entitled, every Director, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and/or discharge of his duties and/or the exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office.

26 INSURANCE

Subject to the provisions of and so far as they may be consistent with the Act, the Board shall have the power to purchase and maintain for any Director or other officer (other than auditors) insurance against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.