

Company No. 07437492

The Companies Act 2006
A Private Company Limited by Shares
Written Resolution
of

TUESDAY



Yellow Hammer Brewing Limited (the "Company")

30/10/ 2019 (the "Circulation Date")

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the "Act"), the directors of the Company propose that the following resolutions be passed as special resolutions.

Adoption of new Articles of Association

1. That the regulations contained in the document in the attached form (New Articles) are adopted as the new articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company.

Issue of Shares

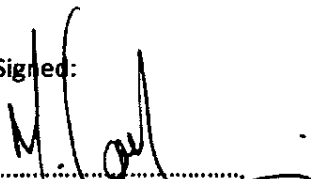
2. That 1,154 Ordinary C Shares of £1.00 each be allotted and issued to SoBe Investments Limited (**Proposed Allotment**) and that the rights of pre-emption (however arising) that the members may have in relation to the Proposed Allotment are disapplied for the purposes of the Proposed Allotment.

Important:

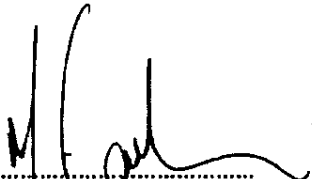
Please read the notes at the end of this document before signifying your agreement to the Resolution.

The undersigned, being the eligible shareholders entitled to vote on the Resolution on the Circulation Date, hereby irrevocably agree to the Resolution.

Signed:


.....
Synergy SiPP Investments Limited

.....
Richard Holt


.....
Synergy Partners Limited

.....
James Bungard

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Richard Holt

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James Bingham

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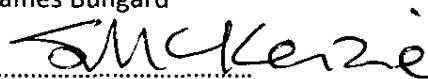
Signed:

.....
Synergy SIPP Investments Limited

.....
Richard Holt

.....
Daniel Taylor

.....
Synergy Partners Limited

.....
James Bungard

.....
Sheila McKenzie

Notes

1. If you agree to all of the resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following delivery methods:
 - By post (by returning the signed document to Hill Farm Half Moon Village, Newton St. Cyres, Exeter, Devon, EX5 5AE
 - By hand.
2. The resolutions will lapse if sufficient votes in favour of them have not been received by the end of the date which is 28 days after the Circulation Date (the Circulation Date being counted as day one). Unless you do not wish to vote on the Resolution, please ensure that your agreement reaches the Company on or before this date and time. If the Company has not received this document from you by then you will be deemed to have voted against the Resolution.
3. Once you have signified your agreement to the Resolution such agreement cannot be revoked.
4. If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

Company number 07437492

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

OF

Yellow Hammer Brewing Limited

(Adopted by special resolution passed on 30 October 2019)

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INTRODUCTION

I. INTERPRETATION

1.1 The following definitions and rules of interpretation apply in these Articles:

Act:	means the CA 2006.
Acting in Concert:	has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time).
Articles:	means the company's articles of association for the time being in force.
Bad Leaver:	a Departing Employee Shareholder who becomes a Departing Employee Shareholder in circumstances where he is not a Good Leaver;
Business Day:	means any day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business.
CA 2006:	the Companies Act 2006;
Civil Partner:	in relation to a shareholder, a civil partner as defined in the Civil Partnership Act 2004;
Conflict:	has the meaning given in Article 7.1.
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.
Deemed Transfer Notice:	a Transfer Notice that is deemed to have been served under any provisions of these Articles;
Departing Employee Shareholder:	an Employee Shareholder who ceases to be a director or employee of the Company (other than by reason of death);
eligible director:	means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter).
Employee Shareholder:	A shareholder who is, or has been, a director and/or an employee of the Company;

Fair Value:	in relation to shares, as determined in accordance with article 16;
Family Trust:	in relation to a shareholder, a trust set up wholly for the benefit of that shareholder and/or that shareholder's Privileged Relations;
First Offer Shareholders:	means Daniel Taylor, for as long as he holds shares in the Company and provided he is not a Seller;
Good Leaver:	<p>an Employee Shareholder who becomes a Departing Employee Shareholder by reason of:</p> <ul style="list-style-type: none"> a. retirement, permanent disability or permanent incapacity through ill-health; or b. redundancy (as defined in the Employment Rights Act 1996); or c. dismissal by the Company which is determined, by an employment tribunal or at a court of competent jurisdiction from which there is no right to appeal, to be wrongful or constructive;
Model Articles:	means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles.
Original Shareholder:	a shareholder who holds shares in the Company on the date of adoption of these Articles;
Permitted Transfer:	a transfer of shares made in accordance with article 14;
Permitted Transferee:	in relation to a shareholder, any of his Privileged Relations or the trustees of his Family Trust(s);
Privileged Relation:	the spouse or Civil Partner of a shareholder and the shareholder's children and grandchildren (including step and adopted children and grandchildren);
Second Offer Shareholders:	the holders of shares in the Company other than the First Offer Shareholders

- Termination Date:**
- a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires;
 - b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;
 - c) where the Employee Shareholder concerned is a director but not an employee, the date on which his service agreement (or other terms of appointment) with the Company is terminated; or
 - d) in any other case, the date on which the employment or holding of office is terminated;

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

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an “article” is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.6 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.

- 1.7 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.8 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.9 The Model Articles shall apply to the company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.
- 1.10 Articles 8, 9(1) and (3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 18(e), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the company.
- 1.11 Article 7 of the Model Articles shall be amended by:
- (a) the insertion of the words “for the time being” at the end of article 7(2)(a); and
 - (b) the insertion in article 7(2) of the words “(for so long as he remains the sole director)” after the words “and the director may”.
- 1.12 In article 25(2)(c) of the Model Articles, the words “evidence, indemnity and the payment of a reasonable fee” shall be deleted and replaced with the words “evidence and indemnity”.
- 1.13 Article 27(3) of the Model Articles shall be amended by the insertion of the words “, subject to article 10,” after the word “But”.
- 1.14 Article 29 of the Model Articles shall be amended by the insertion of the words “, or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2) of the Model Articles,” after the words “the transmittee’s name”.
- 1.15 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words “either” and “or as the directors may otherwise decide”. Article 31(d) of the Model Articles shall be amended by the deletion of the words “either” and “or by such other means as the directors decide”.

DIRECTORS

2. UNANIMOUS DECISIONS

- 2.1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.

2.2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing.

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

3. CALLING A DIRECTORS' MEETING

Any director may call a directors' meeting by giving notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice.

4. QUORUM FOR DIRECTORS' MEETINGS

4.1 The quorum for the transaction of business at a meeting of directors is one director.

5. CASTING VOTE

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

6. 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:

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

- (f) shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such 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.

7. DIRECTORS' CONFLICTS OF INTEREST

7.1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).

7.2 Any authorisation under this Article 7 will be effective only if:

- (a) the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested director; and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested director's vote had not been counted.

7.3 Any authorisation of a Conflict under this Article 7 may (whether at the time of giving the authorisation or subsequently):

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

third party, he will not be obliged to disclose that information to the company, or to use it in relation to the company's affairs where to do so would amount to a breach of that confidence; and

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

7.4 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.

7.5 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.

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

8. RECORDS OF DECISIONS TO BE KEPT

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.

9. NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum.

10. APPOINTMENT OF DIRECTORS

In any case where, as a result of death or bankruptcy, the company has no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

SHARES

11. SHARE CAPITAL

- 11.1 The share capital of the Company shall be divided into the following shares:
- (a) Ordinary A Shares of £1 each;
 - (b) Ordinary B Shares of £1 each; and
 - (c) Ordinary C Shares of £1 each.
- 11.2 Subject to article 11.3, the Ordinary A Shares, Ordinary B Shares and Ordinary C Shares shall rank *pari passu* in respect of all rights attaching to them, including but not limited to a right to receive notice of and attend general meetings of the Company and a right to one vote for each share held, a right to income and a right to capital in the event of winding up or other return of capital.
- 11.3 The profits of the Company which are resolved to be divided amongst the members in any year shall be applied in paying to the holders of the respective classes of shares dividends at such respective rates (if any) as the Company shall determine and so that a dividend or dividends may be declared on one or several classes of shares to the exclusion of any class or classes and that dividends at different rates may be declared on the respective classes of shares. The directors may pay an interim dividend or dividends on one or several classes of shares to the exclusion of any class or classes and may pay interim dividends at different rates on the respective classes of shares.
- 11.4 On the transfer of any share as permitted by these Articles:
- (a) a share transferred to a non-shareholder shall remain of the same class as before the transfer; and
 - (b) a share transferred to a shareholder shall automatically be redesignated on transfer as a share of the same class as those shares already held by the shareholder, or, where they hold more than one class, to either of those classes if different to the shares being transferred.

If no shares of a class remain in issue following a redesignation under this article, these Articles shall be read as if they do not include any reference to that class or to any consents from, or attendance at any meeting or votes to be cast by, shareholders of that class or directors appointed by that class.

12. SHARE TRANSFERS: GENERAL

- 12.1 In these Articles, reference to the transfer of a share includes the transfer, assignment or other disposal of a beneficial or other interest in that share, or the creation of a trust or encumbrance over that share, and reference to a share includes a beneficial or other interest in a share.
- 12.2 No shareholder shall transfer any share except:

- (a) a shareholder may transfer all (but not some only) of his shares in the Company for cash in accordance with the procedure set out in article **13**; or
 - (b) in accordance with article **14**; or
 - (c) in accordance with article **15**; or
 - (d) in accordance with article **17**.
- 12.3 Subject to article **12.4**, the directors must register any duly stamped or certified exempt transfer made in accordance with these Articles and shall not have any discretion to register any transfer of shares which has not been made in compliance with these Articles.
- 12.4 The directors may, as a condition to the registration of any transfer of shares in the Company (whether to a Permitted Transferee or otherwise) require the transferee to provide the Company with the required particulars under section 790K of the CA 2006 if the transferee is a registrable person or relevant legal entity within the meaning of section 790C of the CA 2006 and to execute and deliver to the Company a deed under which the transferee agrees to be bound by the terms of any shareholders' agreement (or similar document) in force between the shareholders in such form as the directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document). If any such condition is imposed in accordance with this article **12.4**, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee and the Company has received all of the required particulars under section 790K of the CA 2006 if the transferee is a registrable person or relevant legal entity within the meaning of section 790C of the CA 2006.
- 12.5 To enable the directors to determine whether or not there has been a transfer of shares in the Company in breach of these Articles, the directors of any class may from time to time require any shareholder to provide the Company with such information and evidence as they may reasonably require relevant to that purpose. If a shareholder fails to provide information or evidence in respect of any shares registered in his name to the reasonable satisfaction of such directors within 14 days of their request or, as a result of the information and evidence provided such directors are reasonably satisfied that a breach has occurred, then such directors may serve a notice on the shareholder stating that the shareholder shall not in relation to all shares held by that shareholder be entitled to be present or to vote in person or by proxy at any general meeting of the Company or any meeting of the holders of shares of that class, or to vote on a written resolution of the shareholders or to receive dividends on the shares. Such directors may reinstate these rights at any time.
- 12.6 Any transfer of shares by way of a sale that is required to be made under these Articles shall be deemed to include a warranty that the transferor sells the shares with full title guarantee.

- 12.7 Any Transfer Notice served in respect of the transfer of any shares (and any related Transfer Notice deemed to have been served by a Permitted Transferee under article **13.3**) which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of the Deemed Transfer Notice.

13. PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

- 13.1 Except where the provisions of article **14** or article **15** or article **17** apply, a shareholder (**Seller**) wishing to transfer his shares (**Sale Shares**) must give notice in writing (a **Transfer Notice**) to the Company giving details of the proposed transfer including:
- (a) if he wishes to sell the Sale Shares to a third party, the name of the proposed buyer; and
 - (b) the price (in cash) at which he wishes to sell the Sale Shares (**Proposed Sale Price**).
- 13.2 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of these Articles.
- 13.3 If an Original Shareholder serves a Transfer Notice under article **13.1**, or is deemed to have served a Transfer Notice under article **15**, any Permitted Transferee of that Original Shareholder to whom shares have been transferred in accordance with article **14.1** is also deemed to have served a Transfer Notice in respect of all his shares on the same date as the Original Shareholder's Transfer Notice is served or is deemed to have been served (in the case of a Deemed Transfer Notice).
- 13.4 Once given, a Transfer Notice may only be withdrawn by the Seller where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair Value is less than the Proposed Sale Price. In such case, the Seller may, within 5 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice. Any Deemed Transfer Notice in respect of a Permitted Transferee's shares under article **13.3** will be withdrawn at the same time as the withdrawal by the Original Shareholder of his Transfer Notice under this article **13.4**. Except as provided in this article, a Deemed Transfer Notice may not be withdrawn.
- 13.5 The Transfer Price for each Sale Share the subject of a Transfer Notice shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Seller and the Original Shareholder(s) or, in default of agreement within 15 Business Days of the date of service of the Transfer Notice, the Fair Value of each Sale Share determined in accordance with article **16**. The Transfer Price for each Sale Share of a Permitted Transferee the subject of a Deemed Transfer Notice under article **13.3** shall be the same as the Transfer Price for each Sale Share of the Original Shareholder.
- 13.6 As soon as practicable following the determination of the Transfer Price, the directors shall (unless the Transfer Notice is withdrawn in accordance with article **13.4**) offer

the Sale Shares for sale in the manner set out in the remaining provisions of this article **13** at the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.

13.7 The directors shall, subject to article **13.12**, offer the Sale Shares in the following order of priority:

- (a) first, to the First Offer Shareholders (if any); and
- (b) second, to the Second Offer Shareholders,

in each case excluding any shareholder whose shares are, at the date of the Transfer Notice, the subject of a Deemed Transfer Notice.

13.8 The directors shall offer the Sale Shares first to the First Offer Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 15 Business Days after the offer (both dates inclusive) (the **First Offer Period**) for the maximum number of Sale Shares they wish to buy.

13.9 If:

- (a) at the end of the First Offer Period, the total number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the directors shall allocate the Sale Shares to each First Offer Shareholder who has applied for Sale Shares in the proportion which his existing holding of shares of the class being offered bears to the total number of shares of that class (excluding those held by the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements among the First Offer Shareholders shall be determined by the directors). No allocation shall be made to a shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy;
- (b) not all Sale Shares are allocated following allocations in accordance with article 13.9(a), but there are applications for Sale Shares that have not been satisfied, the directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in article 13.9(a). The procedure set out in this article 13.9(b) shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and
- (c) at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the directors shall allocate the Sale Shares to the First Offer Shareholders in accordance with their applications. The balance (the **Initial Surplus Shares**) shall be dealt with in accordance with article **13.10**.

13.10 At the end of the First Offer Period, the directors shall offer the Initial Surplus Shares (if any) to the Second Offer Shareholders, inviting them to apply in writing within the

period from the date of the offer to the date 5 Business Days after the offer (both dates inclusive) (the **Second Offer Period**) for the maximum number of Initial Surplus Shares they wish to buy.

13.11 If:

- (a) at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is equal to or exceeds the number of Initial Surplus Shares, the directors shall allocate the Initial Surplus Shares to each Second Offer Shareholder who has applied for Initial Surplus Shares in the proportion which his existing holding of shares of the class held by Second Offer Shareholders bears to the total number of shares of that class. Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Initial Surplus Shares being allocated, in which case, the allocation of any such fractional entitlements among the Second Offer Shareholders shall be determined by the directors). No allocation shall be made to a shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy;
- (b) not all Initial Surplus Shares are allocated following allocations in accordance with article 13.11(a), but there are applications for Initial Surplus Shares that have not been satisfied, the directors shall allocate the remaining Initial Surplus Shares to such applicants in accordance with the procedure set out in article 13.11(a). The procedure set out in this article 13.11(b) shall apply on any number of consecutive occasions until either all Initial Surplus Shares have been allocated or all applications for Initial Surplus Shares have been satisfied; and
- (c) at the end of the Second Offer Period, the total number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the directors shall allocate the Initial Surplus Shares to the Second Offer Shareholders in accordance with their applications. The balance (the **Second Surplus Shares**) may, with the prior written consent of the Original Shareholders, be transferred to the buyer identified in the Transfer Notice (if any) in accordance with article 13.16.

13.12 In the event that there are no First Offer Shareholders (other than the Seller(s)) at the date of the Transfer Notice and/or Deemed Transfer Notice(s) (as the case may be), article 13.8 and article 13.9 shall apply but the Sale Shares shall be offered first to the Second Offer Shareholders and the provisions of those articles shall apply to an offer of the Sale Shares to the Second Offer Shareholders mutatis mutandis. If there are any Initial Surplus Shares under article 13.9(c), the holder(s) of a majority of the class of shares held by the Second Offer Shareholders shall, within 5 Business Days of the date of the Allocation Notice(s), either give notice in writing to the Seller and the Company:

- (a) that, subject to article 12.2(a), they consent to the transfer of the Initial Surplus Shares to the buyer identified in the Transfer Notice (if any) in accordance with article 13.16; or

- (b) that the Company shall be wound up immediately.
- 13.13 The directors shall, when no further offers or allocations are required to be made under article **13.7** to article **13.11** (inclusive), give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and each shareholder to whom Sale Shares have been allocated (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 10 Business Days, but not more than 25 Business Days, after the date of the Allocation Notice).
- 13.14 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, execute and deliver a transfer of the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice, together with the relevant share certificate(s) (or an indemnity in lieu thereof) and such other documents as the Applicant may reasonably require to show good title to the Sale Shares, or to enable him to be registered as the holder of the Sale Shares.
- 13.15 If the Seller fails to comply with article **13.14**:
 - (a) the chairperson (or, failing the chairperson, any other director or some other person nominated by a resolution of the directors) may, as agent on behalf of the Seller:
 - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (ii) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
 - (iii) (subject to the transfers being duly stamped) enter the Applicants in the register of shareholders as the holders of the Sale Shares purchased by them; and
 - (b) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Sale Shares or an indemnity, in a form reasonably satisfactory to the directors, in respect of any lost certificate, together, in either case, with such other evidence (if any) as the board may reasonably require to prove good title to those Sale Shares, to the Company.
- 13.16 Where an Allocation Notice does not relate to all the Sale Shares, then the Seller may, at any time during the 15 Business Days following the date of service of the Allocation Notice, transfer the Initial Surplus Shares (subject to article **13.12**) or the Second Surplus Shares (subject to article **13.11(c)**) (as the case may be) to the buyer identified in the Transfer Notice (if any) at a price at least equal to the Transfer Price. The Seller shall not be permitted to transfer any such Initial Surplus Shares or Second Surplus

Shares (as the case may be) to a third party buyer if that buyer was not identified in the Transfer Notice.

14. PERMITTED TRANSFERS

- 14.1 Provided that he has first obtained the written consent of all of the Shareholders and subject to article **14.2**, an Original Shareholder may transfer shares held by him on the date of adoption of these Articles to any of his Permitted Transferees without being required to follow the steps set out in article **13**.
- 14.2 An Original Shareholder may only transfer shares to the trustees of a Family Trust if the holder(s) of a majority of the other shares are satisfied:
- (a) with the terms of the Family Trust and, in particular, with the powers of the trustees;
 - (b) with the identity of the trustees; and
 - (c) that no costs (including any liability to tax) incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company.
- 14.3 Subject to article **14.2**, any shareholder holding shares as a result of a Permitted Transfer made by an Original Shareholder in accordance with this article **14** may, at any time, transfer his shares back to that Original Shareholder without being required to follow the steps set out in article **13**.
- 14.4 If a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, that Privileged Relation shall within 5 Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of divorce, dissolution of a civil partnership or otherwise but not by reason of death) execute and deliver to the Company a transfer of the shares held by him to the Original Shareholder (or, if so directed by the Original Shareholder, to a Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them, failing which he shall be deemed to have given a Transfer Notice in respect of the shares in accordance with article **13** and article **15.2**.
- 14.5 On the death or bankruptcy of a Privileged Relation (other than a joint holder), his personal representatives or trustee in bankruptcy (as the case may be) shall offer the shares held by the Privileged Relation for transfer to the Original Shareholder or, if so directed by the Original Shareholder, to a Permitted Transferee of the Original Shareholder, within 10 Business Days after the grant of probate or the making of the bankruptcy order (as the case may be), for such consideration as may be agreed between the Original Shareholder and the personal representatives or trustee in bankruptcy (as the case may be). If:
- (a) a transfer of the shares has not been executed and delivered within 10 Business Days of the grant of probate or the making of the bankruptcy order (as the case may be); or

- (b) the Original Shareholder is himself the subject of a bankruptcy order,

the personal representatives or trustee in bankruptcy (as the case may be) shall be deemed to have given a Transfer Notice in respect of the shares in accordance with article **13** and article **15.2**.

- 14.6 If a Permitted Transfer has been made to the trustees of a Family Trust, the trustees of that Family Trust shall within 10 Business Days of that Family Trust ceasing to be wholly for the benefit of the Settlor and/or the Settlor's Privileged Relations execute and deliver to the Company a transfer of the shares held by them or the Family Trust to the Original Shareholder or, if so directed by the Original Shareholder, to a Permitted Transferee of the Original Shareholder, for such consideration as may be agreed between them, failing which the trustees shall be deemed to have given a Transfer Notice in respect of the shares in accordance with article **13** and article **15.2**.

15. COMPULSORY TRANSFERS

- 15.1 Subject to article **14.5**, a shareholder is deemed to have served a Transfer Notice under article **13.1** immediately before any of the following events:

- (a) a bankruptcy petition being presented for the shareholder's bankruptcy; or
- (b) an arrangement or composition with any of the shareholder's creditors being proposed; or
- (c) the shareholder convening a meeting of his creditors, or taking any other steps with a view to making an arrangement or composition in satisfaction of his creditors generally; or
- (d) the shareholder being unable to pay his debts as they fall due within the meaning of section 268 of the Insolvency Act 1986; or
- (e) any encumbrancer taking possession of, or a receiver being appointed over or in relation to, all or any material part of the shareholder's assets; or
- (f) the happening in relation to a shareholder of any event analogous to any of the above in any jurisdiction in which he is resident, carries on business or has assets; or
- (g) the shareholder lacking capacity (under section 2 of the Mental Capacity Act 2005) to make decisions in relation to the Company or his shareholding; or
- (h) the shareholder dies; or
- (i) the shareholder (being an Employee Shareholder) becoming a Departing Employee Shareholder (a **Compulsory Employee Transfer**) (unless the holders of all other shares direct in writing within 5 Business Days of the relevant Termination Date that a Transfer Notice shall not be deemed to have been served). For the purpose of this article 15.1(i), the Transfer Notice is deemed to have been served on the relevant Termination Date; or

- (j) the shareholder committing a material or persistent breach of any shareholders' agreement to which he is a party in relation to the shares in the Company which if capable of remedy has not been so remedied within 20 Business Days of the holder(s) of a majority of the shares of the other class requiring such remedy.
- 15.2 The Deemed Transfer Notice has the same effect as a Transfer Notice, except that:
 - (a) the Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the Sale Shares and, subject to article 15.2(b) and article 15.2(c), the Transfer Price for the Sale Shares shall be the aggregate Fair Value of those shares, determined by the Valuers in accordance with article 16;
 - (b) the Transfer Price in respect of a Compulsory Employee Transfer shall, where the Departing Employee Shareholder is:
 - (i) a Bad Leaver, be restricted to a maximum of the lower of the aggregate subscription price paid in respect of the Sale Shares, including any share premium, and the aggregate Fair Value of such Sale Shares; and
 - (ii) a Good Leaver, be the aggregate Fair Value of such Sale Shares;
 - (c) if the Seller is deemed to have given a Transfer Notice as a result of article 15.1(j), the Transfer Price shall be restricted to a maximum of the lower of the aggregate subscription price paid in respect of the Sale Shares, including any share premium, and the aggregate Fair Value of such Sale Shares.
- 15.3 A Deemed Transfer Notice under article 15.1(i) or article 15.1(j) shall immediately and automatically revoke:
 - (a) a Transfer Notice served by the relevant shareholder or any of his Permitted Transferees (and any Transfer Notices deemed to have been served by any of his Permitted Transferees under article 13.3, where the relevant shareholder is an Original Shareholder) before the occurrence of the relevant event giving rise to the Deemed Transfer Notice under article 15.1(i) or article 15.1(j) (as the case may be); and
 - (b) a Deemed Transfer Notice deemed to be served by the relevant shareholder under any of the events set out in article 15.1(a) to article 15.1(g) (inclusive) (and any Transfer Notices deemed to have been served by any of his Permitted Transferees) before the occurrence of the relevant event giving rise to the Deemed Transfer Notice under article 15.1(i) or article 15.1(j) (as the case may be).
- 15.4 If the Seller fails to complete a transfer of Sale Shares as required under this article 15, the directors are irrevocably authorised to appoint any person it nominates for the purpose as agent to transfer the Sale Shares on the Seller's behalf and to do anything else that the Shareholders (other than the Seller) may reasonably require to

complete the sale, and the Company may receive the purchase price in trust for the Seller (without any obligation to pay interest), giving a receipt that shall discharge the transferee.

16. VALUATION

- 16.1 The Valuers shall be requested to determine the Fair Value within 15 Business Days of their appointment and to notify the Company and the Seller in writing of their determination.
- 16.2 The Fair Value for any Sale Share shall be the price per share determined in writing by the Valuers on the following bases and assumptions:
- (a) valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company;
 - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - (c) the sale is to be on arms' length terms between a willing seller and a willing buyer;
 - (d) the Sale Shares are sold free of all encumbrances;
 - (e) the sale is taking place on the date the Valuers were requested to determine the Fair Value; and
 - (f) to take account of any other factors that the Valuers reasonably believe should be taken into account.
- 16.3 The shareholders are entitled to make submissions to the Valuers and will provide (or procure that the Company provides) the Valuers with such assistance and documents as the Valuers reasonably require for the purpose of reaching a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the shareholders may reasonably require.
- 16.4 To the extent not provided for by this article **16**, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate, including (to the extent they consider necessary) instructing professional advisers to assist them in reaching their valuation.
- 16.5 The Valuers shall act as expert and not as arbitrator and their written determination shall be final and binding on the shareholders in the absence of manifest error or fraud.
- 16.6 The cost of obtaining the Valuers' valuation shall be borne by the Company and the Seller equally or in such other proportions as the Valuers direct unless the Seller withdraws the relevant Transfer Notice in accordance with article **13.4**, in which case the Seller shall bear the cost.

17. DRAG ALONG

- 17.1 If the holders of not less than 70% of the issued shares in the capital of the Company wish to transfer all (but not some only) of their respective shares to a bona fide purchaser on arm's length terms (**Proposed Buyer**), they may require all other holders of shares in the Company (**Called Shareholders**) to sell and transfer their shares (**Called Shares**) to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this article (**Drag Along Option**).
- 17.2 Shareholders may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholders (**Drag Along Notice**) at any time before the transfer to the Proposed Buyer. The Drag Along Notice shall specify:
- (a) that the relevant Called Shareholder is required to transfer all of his Called Shares pursuant to this article **17**;
 - (b) the person to whom the Called Shares are to be transferred;
 - (c) the purchase price payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per share offered by the Proposed Buyer for the Original Shareholders' shares; and
 - (d) the proposed date of the transfer.
- 17.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Shareholders have not sold their respective shares to the Proposed Buyer within 40 Business Days of serving the Drag Along Notice. The Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 17.4 No Drag Along Notice shall require the Called Shareholder to agree to any terms except those specifically set out in this article **17**.
- 17.5 Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Original Shareholders' shares unless:
- (a) the Shareholders and the Called Shareholder agree otherwise in which case the Completion Date shall be the date agreed in writing by them; or
 - (b) that date is less than 40 Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the 40 Business Day after service of the Drag Along Notice.
- 17.6 Neither the proposed sale of the Shareholders' shares to the Proposed Buyer nor the sale of the Called Shares by the Called Shareholders shall be subject to the rights of pre-emption set out in article **13**.
- 17.7 On or before the Completion Date, the Called Shareholders shall execute and deliver a stock transfer form(s) for the Called Shares, together with the relevant share

certificate(s) (or a suitable indemnity for any lost share certificate(s)) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts due pursuant to article **17.2** to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.

17.8 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of the stock transfer form(s) and share certificate(s) (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this article **17** in respect of their shares.

17.9 If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with article **17.7**) transfer(s) in respect of all of the Called Shares held by him, that Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the directors to be his agent to execute all necessary transfer(s) on his behalf, against receipt by the Company (on trust for such holder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as he may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this article **17.9**.

18. TAG ALONG RIGHTS ON A CHANGE OF CONTROL

18.1 Except in the case of transfers pursuant to Article 15, the provisions of article **18.2** to article **18.6** shall apply if, in one or a series of related transactions, one or more Sellers propose to transfer any of the Shares (**Proposed Transfer**) which would, if carried out, result in any person (**Buyer**), and any person Acting in Concert with the Buyer, acquiring a Controlling Interest in the Company.

18.2 Before making a Proposed Transfer, a Seller shall procure that the Buyer makes an offer (**Offer**) to:

- (a) the other Shareholders to purchase all of the Shares held by them;
- (b) the holders of any existing options to acquire Shares (granted by the Company or under any share option arrangements established by the Company) that are already capable of exercise or that are expected to become capable of exercise before the Proposed Transfer, to purchase any Shares acquired on the exercise of options at any time before the Proposed Transfer;

- (c) the holders of any warrants to subscribe for Shares that are capable of exercise or that are expected to become capable of exercise before the Proposed Transfer, to purchase any Shares acquired on the exercise of the subscription rights under such warrants at any time before the Proposed Transfer; and
- (d) the holders of any securities of the Company that are convertible into Shares (**Convertible Securities**), to purchase any Shares arising from the conversion of such Convertible Securities at any time before the Proposed Transfer,

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 (**Specified Price**).

- 18.3 The Offer shall be made by written notice (**Offer Notice**), at least 20 Business Days before the proposed sale date (**Sale Date**). To the extent not described in any accompanying documents, the Offer Notice shall set out:
- (a) the identity of the Buyer;
 - (b) the Specified Price and other terms and conditions of payment;
 - (c) the Sale Date; and
 - (d) the number of Shares proposed to be purchased by the Buyer (**Offer Shares**).
- 18.4 If the Buyer fails to make the Offer to all of the persons listed in article **18.2** in accordance with article **18.2** and article **18.3**, 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.
- 18.5 If the Offer is accepted by any Shareholder (**Accepting Shareholder**) in writing within 20 Business Days of receipt of the Offer Notice, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders.
- 18.6 The Proposed Transfer is subject to the pre-emption provisions of Article 13, but the purchase of Offer Shares from Accepting Shareholders shall not be subject to those provisions.
19. **FURTHER ISSUES OF SHARES: AUTHORITY**
- 19.1 Save to the extent authorised by these Articles, or authorised from time to time by an ordinary resolution of the shareholders, the directors shall not exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the company.

19.2 Subject to the remaining provisions of this Article 19 and to Article 20, the directors are generally and unconditionally authorised, for the purposes of section 551 of the 2006 Act and generally, to exercise any power of the Company to:

- (a) offer or allot;
- (b) grant rights to subscribe for or to convert any security into;
- (c) otherwise deal in, or dispose of,

any ordinary shares of £1 each in the company (**Ordinary Shares**) to any person, at any time and subject to any terms and conditions as the directors think proper.

19.3 The authority referred to in Article 19.2:

- (a) shall be limited to a maximum nominal amount of £100,000;
- (b) shall only apply insofar as the company has not renewed, waived or revoked it by ordinary resolution; and
- (c) may only be exercised for a period of five years commencing on the date on which these Articles are adopted, save that the directors may make an offer or agreement which would, or might, require Ordinary Shares to be allotted after the expiry of such authority (and the directors may allot Ordinary Shares in pursuance of an offer or agreement as if such authority had not expired).

20. FURTHER ISSUES OF SHARES: PRE-EMPTION RIGHTS

20.1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the company.

20.2 Unless otherwise agreed by special resolution, if the company proposes to allot any equity securities, those equity securities shall not be allotted to any person unless the company has first offered them to all shareholders on the date of the offer on the same terms, and at the same price, as those equity securities are being offered to other persons on a pari passu and pro rata basis to the number of shares held by those holders (as nearly as possible without involving fractions). The offer:

- (a) shall be in writing, shall be open for acceptance for a period of 15 business days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities; and
- (b) may stipulate that any shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess equity securities (**Excess Securities**) for which he wishes to subscribe.

20.3 Any equity securities not accepted by shareholders pursuant to the offer made to them in accordance with Article 20.2 shall be used for satisfying any requests for

Excess Securities made pursuant to Article 20.2. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants pro rata to the number of shares held by the applicants immediately before the offer was made to shareholders in accordance with Article 20.2 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any shareholder beyond that applied for by him). After that allotment, any Excess Securities remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the shareholders.

- 20.4 Subject to Articles 20.2 and 20.3 and to section 551 of the Act, any equity securities shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.
- 20.5 No shares shall be allotted to any employee, director, prospective employee or director unless such person has entered into a joint election with the company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

21. PURCHASE OF OWN SHARES

Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:

- (a) £15,000; and
- (b) the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.

DECISION MAKING BY SHAREHOLDERS

22. POLL VOTES

- 22.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 22.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

23. PROXIES

- 23.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".

- 23.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words “and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting” as a new paragraph at the end of that article.

ADMINISTRATIVE ARRANGEMENTS

24. MEANS OF COMMUNICATION TO BE USED

- 24.1 Subject to Article 24.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- (b) if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9 a.m. on the second Business Day after posting; or
- (c) if sent by pre-paid airmail to an address outside the country from which it is sent, at 9 a.m. on the fifth Business Day after posting; or
- (d) if sent or supplied by email, one hour after the notice, document or information was sent or supplied; or
- (e) if deemed receipt under the previous paragraphs of this Article 24.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt. For the purposes of this article, all references to time are to local time in the place of deemed receipt.

- 24.2 To prove service, it is sufficient to prove that:

- (a) if delivered by hand the notice was delivered to the correct address; or
- (b) if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or
- (c) if sent by email, the notice was properly addressed and sent to the email address of the recipient.

25. INDEMNITY

- 25.1 Subject to Article 25.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:
 - (i) in the actual or purported execution and/or discharge of his duties, or in relation to them; and

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

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

- (b) the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 25.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

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

25.3 In this article:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- (b) a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act).

26. INSURANCE

26.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss.

26.2 In this article:

- (a) a relevant officer means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act);
- (b) a relevant loss means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company; and

- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.